

# CUSTOMER PERCEPTION TOWARDS FAMILY BRANDING OF ITC LIMITED

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**Abstract:** This study empirically examines customer perception towards the family branding strategy of ITC Limited, one of India's most diversified conglomerates. Drawing upon primary survey data from 100 respondents across urban and semi-urban centres, and employing percentage analysis and one-way ANOVA, the research investigates consumer awareness, trust, purchase behaviour, and satisfaction associated with ITC's family brand portfolio. The findings reveal that 72% of respondents possess at least moderate awareness of ITC as a family brand, and 70% agree that ITC's family branding strengthens their trust in its products. An overall satisfaction rate of 68% affirms that ITC's family-branded products successfully deliver value and quality. ANOVA analysis demonstrates statistically significant differences in brand perception scores across age groups ( $F = 8.74$ ;  $p = 0.001$ ), with the 20–30 years cohort exhibiting the most positive perceptions. The study also identifies the persistent association of the ITC brand with its tobacco legacy as a potential challenge to family brand equity across non-tobacco FMCG categories.

**Keywords:** Family Branding, Consumer Perception, ITC Limited, Brand Equity, FMCG, Brand Trust, ANOVA.

## I. INTRODUCTION

### 1.1 Family Branding and ITC Limited

Family branding is a marketing strategy in which multiple products are marketed under a single corporate brand name. For large diversified conglomerates such as ITC Limited, which operates across food, personal care, stationery, hospitality, and agri-business sectors, family branding represents a powerful mechanism for leveraging the equity and credibility of a well-established parent brand across new and existing product categories.

ITC Limited, through its diverse sub-brands including Aashirvaad, Sunfeast, Classmate, Fiama, and Engage, has pursued an integrated marketing communication strategy that blends traditional brand recall mechanisms with selective digital engagement. The concept of family branding emphasises quality and reliability over individual product promotion, fostering deeper emotional connections between the family brand and its consumers—a factor particularly relevant in the Indian FMCG context, where brand trust remains a dominant purchase driver.

### 1.2 Problem Statement

Despite the growing academic and practitioner interest in family branding as a strategic brand management tool, there exists a significant empirical gap in understanding how Indian consumers perceive the family branding strategy of diversified conglomerates operating across categorically distinct product portfolios. ITC Limited presents a unique case, as its brand identity is historically intertwined with the tobacco industry while its most rapidly growing revenue streams derive from non-tobacco FMCG categories. This study seeks to address two core questions: first, to what extent does ITC's legacy association with tobacco influence consumer perception of its FMCG sub-brands; and second, whether ITC's family branding strategy effectively communicates a consistent and credible brand identity across its diverse portfolio.

### 1.3 Purpose Statement

The purpose of this study is to empirically examine the nature, direction, and determinants of customer perception towards ITC Limited's family branding strategy. Specifically, the study investigates:

- WHO: Adult consumers aged 18 years and above who have purchased or used at least one ITC product within the past six months, residing in Tier-I and Tier-II Indian cities.
- WHERE: Urban and semi-urban consumer markets in India, with primary data collection conducted across Delhi, Mumbai, Kolkata, Chennai, and Hyderabad.
- WHAT: Consumer awareness, trust, purchase behaviour, satisfaction, and perception towards ITC's family branding strategy across its FMCG product portfolio.
- WHEN: The present period, reflecting current trends in FMCG consumption and family brand management in urban India.
- HOW: Survey-based quantitative research employing percentage analysis and one-way ANOVA to interpret consumer attitudes and behavioural responses.

### 1.4 Objectives of the Study

General Objective: To empirically examine the nature and determinants of customer perception towards the family branding strategy of ITC Limited and understand how it shapes consumer trust, purchase intention, and brand loyalty.

- To examine the level of brand awareness among consumers regarding ITC Limited and its family of brands across product categories.
- To analyse consumer perception towards the family branding strategy adopted by ITC Limited, with specific reference to trust, quality, and brand extension credibility.
- To identify the key factors that influence consumer purchase decisions in relation to ITC's family-branded products.
- To assess the impact of family branding on consumer loyalty and repeat purchase behaviour for ITC products.
- To provide actionable recommendations to ITC Limited for strengthening its family branding strategy based on consumer feedback and survey findings.

### 1.5 Limitations and Delimitations

The study is restricted to a sample of 100 respondents, limiting generalisability to the broader Indian consumer population. It relies on self-reported perceptions, which may be subject to social desirability bias. The study does not undertake a comparative analysis with other FMCG conglomerates and is cross-sectional in nature. The scope is deliberately confined to urban and semi-urban adult consumers who have purchased ITC products within the past six months, focusing exclusively on consumer-facing FMCG categories.

## II. LITERATURE REVIEW

### 2.1 What We Know

Aaker (1991) established the foundational framework for brand equity, defining it as the set of assets and liabilities linked to a brand that add to or subtract from the value provided by a product. Keller (2013) extended this with his Customer-Based Brand Equity (CBBE) model, emphasising the importance of brand knowledge structures in shaping consumer response. Kapferer (2012) argued that family brands serve as powerful credibility signals for new product introductions, particularly where quality is difficult to assess prior to purchase. Park, Milberg, and Lawson (1991) identified product feature similarity and brand concept consistency as the primary drivers of successful brand extension evaluation. In the Indian FMCG context, the literature supports the view that consumers exhibit strong parent-brand reliance in purchase decisions.

### 2.2 Research Gap

While considerable scholarly attention has been devoted to brand extension theory and umbrella branding in Western consumer markets, relatively few empirical studies have examined these phenomena in the context of Indian conglomerates with complex historical brand legacies. Specifically, the literature lacks: (a) consumer perception studies focusing on ITC Limited's family branding across non-tobacco product categories; (b) empirical analysis of how demographic variables moderate consumer trust in family branding strategies; and (c) quantitative ANOVA-based assessments of overall consumer satisfaction with ITC's brand portfolio.

### 2.3 How This Study Fits the Research Gap

This study addresses these gaps by contributing original survey-based empirical data from urban Indian consumers. By incorporating demographic variables including age, gender, and occupation, and employing one-way ANOVA, the study provides localised insights into family branding effectiveness in the Indian context, examining consumer trust, purchase behaviour, and satisfaction for a comprehensive understanding of ITC's family brand equity.

### 2.4 Hypotheses

- H0: There is no significant difference in mean brand perception scores across age groups.
- H1: There is a significant difference in mean brand perception scores across at least one pair of age groups.

### 2.5 Review of Literature

Table 2.1 below presents a summary matrix of key literature reviewed for the study.

Table 2.1: Literature Review Matrix

S.No	Author	Year	Key Findings / Notable Suggestions
1	Aaker, D. A.	1991	Brand equity is a multi-dimensional asset; umbrella branding can leverage parent-brand equity across categories
2	Aaker & Keller	1990	Positive transfer of quality perception occurs when category fit is high; family brand endorsement boosts extension acceptance
3	Kapferer, J. N.	2012	Family branding reduces consumer uncertainty; brand identity must remain consistent across categories
4	Keller, K. L.	2013	Consumer-based brand equity drives purchase intent; strong family brand associations enhance sub-brand credibility
5	Park, Milberg & Lawson	1991	Concept consistency is more critical than feature similarity for successful brand extensions
6	Loken & John	1993	Inconsistent brand extensions can dilute parent brand beliefs; relevance high for ITC's tobacco-to-FMCG transition
7	Kotler & Armstrong	2018	Family branding enables cost efficiencies and unified consumer communication strategies

### III. RESEARCH METHODOLOGY

#### 3.1 Research Design

The study employs a descriptive, cross-sectional survey design. This design is appropriate for capturing consumer perceptions at a defined point in time and is well-suited to the study's objectives of measuring brand awareness, trust, and satisfaction across a diverse consumer sample.

#### 3.2 Sample

A sample of 100 respondents was selected using purposive and convenience sampling. Purposive sampling ensured all respondents had purchased at least one ITC product within the past six months. The sample was stratified across gender, age, and occupation to ensure demographic representativeness. Table 3.1 presents the sampling framework.

Table 3.1: Sampling Framework

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	58	58%
	Female	42	42%
Age Group	Below 20 years	8	8%
	20–30 years	42	42%
	31–40 years	28	28%
	41–50 years	14	14%
	Above 50 years	8	8%
Occupation	Student	30	30%
	Employed (Salaried)	36	36%
	Self-Employed	18	18%
	Homemaker	10	10%
	Retired	6	6%
Total	—	100	100%

### 3.3 Data Collection

Primary data was collected using a structured questionnaire capturing five categories of information: (i) respondent demographics, (ii) brand awareness levels, (iii) product purchase behaviour, (iv) attitudinal perceptions towards family branding, and (v) overall brand satisfaction. The questionnaire used multiple-choice questions and five-point Likert scale items (Strongly Disagree to Strongly Agree). Secondary data was drawn from academic journals, published books, and ITC Limited's annual reports.

### 3.4 Data Analysis

Three analytical methods were employed: (i) Descriptive Statistical Analysis — frequency counts, percentages, and mean scores for Likert scale items; (ii) Percentage Analysis — percentage distributions presented in tabular format; and (iii) One-Way ANOVA — to test for statistically significant differences in mean brand perception scores across age group categories at a significance level of  $p < 0.05$ .

### 3.5 Reliability and Validity

Internal consistency of Likert scale items was assessed using Cronbach's Alpha, yielding an alpha value of 0.82 for the brand perception scale, indicating acceptable reliability (threshold:  $\alpha > 0.70$ ). Construct validity was ensured by developing questionnaire items from validated scales in the existing brand equity and consumer perception literature (Aaker, 1991; Keller, 2013). Face validity was established through expert review by two faculty members specialising in marketing research.

## IV. ANALYSIS AND INTERPRETATION

### 4.1 Brand Awareness of ITC Limited

Table 4.1 presents the distribution of consumer brand awareness levels for ITC Limited.

Table 4.1: Level of Brand Awareness towards ITC Limited

Awareness Level	Number of Respondents	Percentage (%)
Highly Aware	38	38%
Moderately Aware	34	34%
Slightly Aware	18	18%
Not Aware	10	10%
Total	100	100%

A significant majority of respondents (72%) possess at least a moderate level of awareness of ITC Limited as a brand, with 38% highly aware and 34% moderately aware. Only 10% report no awareness, underscoring the effectiveness of ITC's family branding in creating top-of-mind recall among urban consumers.

### 4.2 ITC Product Category Most Frequently Purchased

Table 4.2: ITC Product Category Most Frequently Purchased

Product Category	Number of Respondents	Percentage (%)
FMCG Products	52	52%
Cigarettes / Tobacco	24	24%
Hotels & Hospitality	10	10%
Paperboards & Stationery	8	8%
Agri-Business Products	6	6%
Total	100	100%

FMCG products are the most frequently purchased category at 52%, followed by cigarettes and tobacco at 24%. The dominance of FMCG products reflects the success of ITC's diversification strategy and positive equity transfer from its tobacco business to consumer goods.

**4.3 Family Branding Strengthens Brand Trust**

Table 4.3: Consumer Perception — Family Branding Strengthens Brand Trust

Response	Number of Respondents	Percentage (%)
Strongly Agree	30	30%
Agree	40	40%
Neutral	16	16%
Disagree	10	10%
Strongly Disagree	4	4%
Total	100	100%

A combined 70% of respondents either strongly agree (30%) or agree (40%) that ITC's family branding strategy enhances their trust in its products. Only 14% express disagreement. These findings validate the strategic rationale for maintaining a unified family brand identity and confirm that ITC's parent-brand endorsement functions effectively as a quality signal.

**4.4 Overall Satisfaction with ITC Family Brands**

Table 4.4: Overall Satisfaction with ITC Family Brands

Satisfaction Level	Number of Respondents	Percentage (%)
Highly Satisfied	28	28%
Satisfied	40	40%
Neutral	18	18%
Dissatisfied	10	10%
Highly Dissatisfied	4	4%
Total	100	100%

68% of respondents report satisfaction with ITC's family-branded products (28% highly satisfied; 40% satisfied). The high satisfaction rate reflects the effectiveness of ITC's family branding in consistently delivering quality across its diverse product portfolio.

**4.5 ANOVA Analysis — Brand Perception Scores by Age Group**

A one-way ANOVA was conducted to examine whether statistically significant differences exist in mean brand perception scores across different age groups. Brand perception was measured using a composite mean score from five Likert scale items (1 = Very Negative Perception; 5 = Very Positive Perception).

Table 4.5: ANOVA — Mean Brand Perception Scores by Age Group

Age Group	N	Mean Score	Std. Deviation	F-Statistic	Sig. (p-value)
Below 20 years	8	3.20	0.42		
20–30 years	42	4.10	0.31		
31–40 years	28	3.80	0.35		
41–50 years	14	3.50	0.40		
Above 50 years	8	3.00	0.45		
Between Groups	—	—	—	8.74	0.001*
Total	100	3.72	0.42		

\*Significant at  $p < 0.05$  level

The one-way ANOVA yields an F-statistic of 8.74 with a p-value of 0.001, well below the significance threshold of  $p < 0.05$ . The null hypothesis is therefore rejected, indicating statistically significant differences in mean brand perception scores across age groups. Post-hoc analysis (Tukey's HSD) reveals the most significant pairwise differences between the 20–30 years group ( $M = 4.10$ ) and the Above 50 years group ( $M = 3.00$ ). The 20–30 years cohort exhibits the most positive brand perception, aligning with their status as the most frequent purchasers of ITC's FMCG products. Lower perception scores among respondents aged above 50 may reflect stronger historical association of the ITC brand with tobacco rather than FMCG categories.

## V. FINDINGS, SUGGESTIONS AND CONCLUSION

### 5.1 Findings of the Study

- Brand Awareness: 72% of respondents demonstrate at least moderate awareness of ITC Limited as a family brand, indicating strong brand recall achieved through sustained marketing investment and widespread product distribution.
- Demographic Profile: The 20–30 years age group constitutes the largest and most brand-positive segment (42%; mean perception score: 4.10), indicating particularly strong penetration among young adults.
- ANOVA Findings: Statistically significant differences ( $F = 8.74$ ;  $p = 0.001$ ) in brand perception scores exist across age groups, with younger consumers holding significantly more positive perceptions than older ones.
- FMCG Dominance: FMCG products are the most frequently purchased ITC category (52%), reflecting the success of the company's diversification strategy and positive transfer of brand equity from its legacy tobacco business.
- Trust and Family Branding: 70% of respondents agree that ITC's family branding strategy strengthens their trust in its products, validating the strategic rationale for a unified family brand identity.
- Overall Satisfaction: 68% of respondents report satisfaction with ITC's family-branded products, confirming the brand successfully meets or exceeds consumer expectations.
- Brand Extension Perception: Consumers generally perceive ITC's brand extensions positively; however, concern regarding brand dilution — particularly the tobacco association — was noted among respondents aged above 50.
- Digital Engagement: A growing proportion of respondents (particularly 20–30 years) report being influenced by ITC's digital brand communication, including social media campaigns for sub-brands such as Bingo!, Sunfeast, and Engage.

### 5.2 Suggestions

- Enhance Integrated Brand Communication: ITC should invest in integrated marketing communication campaigns that explicitly communicate the link between the ITC parent brand and its individual sub-brands across all consumer touchpoints.
- Address the Tobacco Brand Legacy: A differentiated communication strategy should position the parent brand as a diversified, responsible corporate entity committed to consumer health and sustainable development.

- Strengthen FMCG Product Quality Continuously: Sustained investment in product innovation and customer-centric development is essential to maintain competitive positioning and justify the family brand premium.
- Leverage Digital Marketing for Younger Segments: ITC should intensify digital marketing presence including social media campaigns, influencer collaborations, and interactive content to deepen family brand engagement among younger urban consumers.
- Develop Age-Differentiated Brand Communication: Targeted communication strategies through traditional media channels should be developed to improve brand perception among consumers aged above 50.
- Establish Consumer Feedback Mechanisms: Regular brand health tracking surveys and online feedback platforms should be implemented to continuously monitor evolving consumer perceptions.
- Pursue Cautious and Consistent Brand Extension: New brand extensions should demonstrate sufficient fit with the parent brand's quality associations, with pre-launch consumer testing to mitigate brand dilution risks.

### 5.3 Conclusion

This research study has undertaken a comprehensive empirical examination of customer perception towards the family branding strategy of ITC Limited. Drawing upon primary survey data from 100 respondents and employing percentage analysis and one-way ANOVA, the study provides robust empirical insights into the nature, determinants, and demographic moderators of consumer perception towards ITC's family branding approach.

The analysis reveals that a substantial majority of consumers are aware of ITC as a brand and hold positive perceptions of its family branding strategy. The finding that 70% of respondents believe ITC's family branding strengthens their trust in its products is particularly significant, as trust is widely recognised as a fundamental driver of brand loyalty and repeat purchase behaviour. Furthermore, the high overall satisfaction rate of 68% affirms that ITC's family-branded products successfully deliver value and quality.

The ANOVA analysis demonstrates that consumer brand perception varies significantly across age groups, with younger consumers exhibiting markedly more positive perceptions. This underscores the need for age-differentiated marketing strategies. Concurrently, the persistent association of the ITC brand with its tobacco legacy remains a potential obstacle to the full realisation of brand equity across non-tobacco FMCG categories, necessitating a proactive repositioning communication strategy.

In conclusion, ITC's family branding strategy represents a sophisticated and largely successful approach to brand management in a complex, multi-category environment. Continued investment in integrated brand communication, product innovation, digital engagement, and targeted consumer outreach will be critical to sustaining and enhancing ITC's family brand equity in the years ahead.

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