

## Qualitative Research in the field of Perceived brand Parity by using approach Grounded Theory

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Available online at: [www.isca.in](http://www.isca.in), [www.isca.me](http://www.isca.me)

Received 21<sup>st</sup> February 2014, revised 7<sup>th</sup> July 2014, accepted 3<sup>rd</sup> October 2014

### Abstract

*One of the main objectives in marketing is a product proposed in a particular class, as different and dissimilar from the rest is considered. While researches show that differences to be less every day and consumers feel brand parity in a class of product, Unfortunately, for measuring such as important component have been done very little researches. In this paper, by using of qualitative research and selection of grounded theory approach as one of the main methods of qualitative, were paid to do In-depth interviews. Analysis of more than 421 minutes of interviews with consumers has led this result that brand parity is a multidimensional construct that contains both aspects of obvious and both aspects of latent and emotional. The dimensions included functional parity, experimental parity, social relationship parity, spiritual parity and mentality parity.*

**Keywords:** Brand parity, Muncy's scale, differential, qualitative research, grounded theory.

### Introduction

Qualitative research in academic marketing includes techniques that fit around the middle of the continuum, extending to the constructionist end. But the guiding ontology may often be positivist, in that the research implies that there is a world out there to be researched, but the epistemology is broadly probabilistic. The aim of such research is to produce insight rather than measure, to explore rather than pin-down. Case studies, focus groups and interviews allow in-depth investigation of human behaviors that can be targeted to practical, commercially-relevant problems<sup>1</sup>.

One of the powerful methods for qualitative research is Grounded theory. Grounded theory method is a systematic generation of theory from data that contains both inductive and deductive thinking. One goal is to formulate hypotheses based on conceptual ideas. Others may try to verify the hypotheses that are generated by constantly comparing conceptualized data on different levels of abstraction, and these comparisons contain deductive steps. Another goal of a grounded theory study is to discover the participants' main concern and how they continually try to resolve it<sup>2</sup>.

Also, based on investigation the 1,195 articles from 1993 to 2002 by Hanson and Grimmer (2007), 38.4 per cent were theory/opinion/comment, 46.3 per cent involved quantitative research, 6.5 per cent qualitative research, and 8.8 per cent mixed qualitative/quantitative. For the 183 qualitative and mixed quantitative/qualitative research articles, the most commonly found qualitative research method was the interview, reported as the main method in 56.3 per cent of articles<sup>1</sup>.

Among the topics of marketing, the brand is one of the favorite

subjects of researchers that extensive researches have been done in the field. One of the subjective in the field is brand parity; unfortunately, very little research has been done about it.

**Table-1**  
**Research methods in qualitative researches**

Research method	N	%
Interview-depth	61	33.3
Interview- structured	38	20.8
Interview- semi structure	33	18
Interview- unstructured	2	1.1
Questionnaire	38	20.8
Case study	35	19.1
Focus group	24	13.1
Observation	13	7.1
Secondary data	8	4.4
internet	0	0

Perceived brand parity's scale of Muncy can be considerate as one more scale dealing with perception of consumers and of course, the only scale for measuring brand parity in marketing and consumer behavior literature<sup>3</sup>.

The main criticism that can be leveled on Muncy's scale is that the scale is a scale unidimensionality while brands should be evaluated in various dimensions<sup>3</sup> while Marketing researchers have used a wide variety of attribute descriptors to obtain measures of consumers' perceptions and preferences. What is common to all these different approaches is that there is a distinction between the concrete, physical, objective, or TANGIBLE attributes of a product and the abstract, beneficial, subjective, or INTANGIBLE attributes of a product<sup>4</sup>. For example, Rio and et al. indicated that brands have a functional

and symbolic component<sup>5</sup>. Also, Bridson and Evans evaluated brands based on four dimensions: functionality, symbolic Distinctiveness and Value adding<sup>6</sup>.

Therefore, the objectives of this study are investigation of perceived brand parity by using Qualitative research to determine whether equivalence is a multidimensional concept. So the researchers will choose approach Grounded Theory and semi-structured interview.

**Literature review: Brand parity:** Building strong brands has become a marketing priority for many organizations today because it yields a number of advantages. Strong brands help the firm establish an identity in the market place, less vulnerability to competitive actions, larger margins, greater intermediary co-operation and support and brand extension opportunities<sup>7</sup>. Therefore Understanding how consumers perceive and evaluate products relative to other products is fundamental to marketing strategy<sup>4</sup>.

Today the markets are moving towards a being parity So that Consumers have less differentiation between the brands in a category. For example, according to research of marketing consulting firm- Copernicus, of 46 product categories, 40 categories have been parity and from viewpoint of respondents, products were parity or have very little different each other<sup>8</sup>.

Muncy defined brand parity as the overall perception held by the consumer that the differences between the major brand alternatives in a product category are small. Thus, when consumers perceive the major brand alternatives as being similar, then parity is high<sup>9</sup>.

Jones and et al. shown that perceptions of brand parity are linked to a stable individual difference variable, consumer novelty seeking, and that the relationship between novelty seeking and perceived brand parity is mediated by the cognitive effort applied to processing brand information in choice<sup>10</sup>.

Muncy investigated effect brand parity on three variables named cognitive brand loyalty, price sensitivity, and perceived utility of marketplace information. The results shown that brand parity was demonstrated to be negatively correlated to brand loyalty and utility of information and positively correlated to perceived price<sup>9</sup>. Another research with Iyer indicated that high parity perceptions inhibit a company's ability to develop loyal customers<sup>11</sup>.

Hence, Kottman stated that "the idea of parity is an anathema in marketing. It is antithetical to the notion of differentiation, and product differentiation is regarded as the lifeblood of successful national brand marketing and advertising."<sup>12</sup>.

**Grounded theory:** The basic idea of the grounded theory approach is to read a textual database (such as a corpus of field notes) and "discover" or label variables and their

interrelationships. The ability to perceive variables and relationships is termed "theoretical sensitivity" and is affected by a number of things including one's reading of the literature and one's use of techniques designed to enhance sensitivity<sup>2</sup>.

**GT included three steps<sup>13</sup>:** *Open Coding:* Open coding is the part of the analysis concerned with identifying, naming, categorizing and describing phenomena found in the text. Essentially, each line, sentence, paragraph etc. is read in search of the answer to the repeated question "what is this about? What is being referenced here?"

**Axial Coding:** Axial coding is the process of relating codes (categories and properties) to each other, via a combination of inductive and deductive thinking. To simplify this process, rather than look for any and all kind of relations, grounded theorists emphasize causal relationships, and fit things into a basic frame of generic relationships.

**Selective Coding:** Selective coding is the process of choosing one category to be the core category, and relating all other categories to that category. The essential idea is to develop a single storyline around which all everything else is draped. There is a belief that such a core concept always exists.

Consequently, GT is a general method that can use any kind of data even though the most common use is with qualitative data<sup>14-15</sup>. However, although working with probabilities, most GT studies are considered as qualitative since statistical methods are not used, and figures are not presented. The results of GT are not a reporting of statistically significant probabilities but a set of probability statements about the relationship between concepts, or an integrated set of conceptual hypotheses developed from empirical data<sup>16</sup>. Validity in its traditional sense is consequently not an issue in GT, which instead should be judged by fit, relevance, workability, and modifiability<sup>2,16-17</sup>.

Fit has to do with how closely concepts fit with the incidents they are representing, and this is related to how thorough the constant comparison of incidents to concepts was done.

**Relevance:** A relevant study deals with the real concern of participants, evokes "grab" (captures the attention) and is not only of academic interest.

**Workability:** The theory works when it explains how the problem is being solved with much variation.

**Modifiability:** A modifiable theory can be altered when new relevant data is compared to existing data. A GT is never right or wrong, it just has more or less fit, relevance, workability and modifiability.

## Methodology

**Time and place scope of the study:** The period of data

collection through the data collection tool is time scope, this research has been conducted in-depth interviews and will be discussed in the next sections, took place during the second half of June 2013.

The participants in this qualitative research are consumers who generally live in Tehran as the most populous metropolis in Iran. Given that one of the main criteria for segmenting the population is geographical segmentation, so the separation of the 22 districts of Tehran has been selected as the domain of spatial depth interviews with consumers (household consumption).

**Sampling and sample size in qualitative research:** Considering that the aim of qualitative research is to achieve a deep understanding of a particular phenomenon to through which realizes meanings of a phenomenon and the underlying conditions, therefore, qualitative research aims not to generalize findings from the sample to the larger society, and random selection of participants is not common with qualitative research.

Sampling in this study is Stratification sampling because the researcher considered Tehran metropolis as the 22 separate districts and conducted depth interviews with households in each district, which this method ensures the accuracy of the study.

Sample size in qualitative research is less than the sample size in quantitative research because the data collected from each participant should be rich and deep, so more time for in-depth reviews is needed. The thing that determines the sample size is the principle of saturation i.e. the researcher continues to collect data until there is access to new issues and topics but when it comes to data saturation does not need to increase the number of samples.

In this paper, based on phone number of households residing in 22 districts of Tehran, the researcher continued to collect data through depth telephone interviews until reach to the principle of saturation, which a total of 47 participants could be interviewed, in the next section will detail the process of doing.

**Method and data collection tool:** Interview is one of the most common methods in Grounded Theory. The interview is one of the most powerful methods to understand and evaluate others' perceptions, meanings, definitions of situations and making reality.

In this study, semi-structured interviews which it's another name is depth interviews, were used because similar questions asked of all people and they are free to offer their own answer in any way they wish. In this case, the encoding of the responses and their classification is in charge of the researcher.

For in-depth interviews, an interview form was designed by the

researcher and the following procedure was taken:

**Investigates the theoretical literature and framework:** Given that the purpose of this exploratory qualitative research is more than a simple description of the data, therefore, this question "How do consumers understand about the brand parity in a product category?" was examined in the context of the theoretical literature and preliminary questions were found.

**Formulating preliminary questions:** Questions obtained in the first step were designed in three different forms, which all imply one phenomenon to be used in the next step.

**Reviews by experts:** In this section, in order to reach a final form for interviews, experts in the field of Marketing have been used which include six Ph.D. students in marketing: 1 freshman, 1 sophomore, 1 junior, 3 senior. Three form of interview sent to these 6 experts and after review, they sent back their evaluations to the researcher. To sum up more, the researcher had phone call with each of them and so valuable comments were obtained to achieve the final form.

**The final form for the interview:** At last, the final form which includes two parts is designed to perform in-depth interviews. The first part of the interview questions, began with general questions and ended with more detailed questions. The second part is the demographic questions, including gender, marital status, age, education and income.

**The in-depth interviews procedure:** In-depth telephone interviews, which were conducted with the following steps:

**First step: preparing a phone interview:** As explained, given that the interviews took place in 22 districts of Tehran, so the numbers were provided in all areas. Due to the fact that it is a phone interview and during the interview, the possibility of writing participants spoke is very difficult, so, software was used to record sounds and whole sentences during the interview.

**Second step: time of the interview:** All interviews were conducted in the second half of June 2013 that in the morning between the hours of 10.5 to 13 and in the evening between 17.5 to 20.5 interviews were conducted.

**Third step: first round of interview:** In the first time interviews began from district 1 and continued until the 22. In this time a total of 24 people were interviewed which the 24 participants included 22 men per district and two others in the interviews were interviewed.

**Step Four: initial analysis:** Given that in interview the principle of saturation must be considered, so, the 24 conducted interviews were translated from audio to text and initial analysis was performed on them.

**Step Five: second round of interview:** At this point the

interviews were initiated from district 1, after the end of each interview, audio-to-text translation was carried out and initial analysis was performed on them, which is a means to determine whether a principle of saturation is reached or not. In half of the interviews it became clear that the saturation was happened and it was not necessary to continue the interview, but for greater certainty, the researcher continued to interviews to the last district that a total of 23 others were interviewed by telephone. Totally, 47 telephone interviews were conducted which in terms of time, the total time of 421 minutes and 32 seconds interviews conducted of which, 220 minutes and 41 seconds related to the first interview and an average of 9 minutes and 38 seconds per person.

**Table-2**  
**Interviews conducted**

Item	
Phone numbers	82
people who answered the phone	65
people who were interviewed	47
The response rate	73/85%
Total Interviews	421:32
Time of first interview	220:41
Time of second interview	199:29
Time of interview per person	9:38

This section describes interviewees' variables such as gender, age, and etc. by using SPSS software. These variables will be discussed separately in tables and figures.

**Table-3**  
**Frequency of demographic variables of respondents**

Demographic variables	Categories	frequency	%
<b>Sex</b>	Male	20	42/6
	Female	27	57/4
<b>Age</b>	Below 30	17	36/2
	Between 30-50	27	57/4
	Above 50	3	6/4
<b>Education</b>	Below diploma	5	10/6
	diploma	11	23/4
	Associate's degree	4	8/5
	Bachelor's degree	18	38/3
	Master's degree	8	17
<b>Job status</b>	Ph.D.	1	2/1
	Unemployed	9	19/1
	Employed	26	55/3
<b>Income</b>	Housekeeper	12	25/5
	Below 6000,000 Rials	12	25/5
	Between 6000,000 – 1 million rials	30	63/8
	Above 1 million rials	5	10/6

## Results and Discussion

Atlas.ti (6.20) software for qualitative analysis of interviews has been used in the following steps:

**To convert audio to text:** As was discussed in the previous section, all the interviewees' talks had been recorded by the researcher, then converted to text and finally transformed into the Word office text.

**Open coding:** The process began with open coding is done by analyzing the text. Open coding or code line by line aims to bring the contextual data in the form of concepts. For this purpose the data is to be fractionated and each piece of textual data is assigned name (code). The main objective of open coding is conceptualization the data.

**Axial coding:** Considering that the previous step has been achieved tens code, so these codes should be transferred into categories and researcher should specify codes which are place in each category, this process is called axial coding. In fact, axial coding is refining, and separation of the categories obtained from open coding.

All analytical aspects of Grounded Theory focus on conceptualization and explanation of data not on describing them. The whole analysis process includes continuous integration of data into a small set of concepts and more abstractive categories.

Qualitative analysis shows that of the 47 people interviewed, 36 stated that there is very little difference between the consumption of FMCG among the existing brands in a category of FMCG. In fact, 76/59% of respondents believed that "today, taking a sharp distinction between brands in a category of FMCG is very difficult (the quotation one interviewee).

But in the case of durable products that number reaches 16 people, that is, 34/04% of respondents. Among the number of 16 persons, 13 persons i.e. of the 81/25% of them stated that durable brands in terms of product design are with no significant differences. To quote one of the respondents "the designing of durable products are at the same level, so that if you remove the brand name we cannot distinguish which product belongs to which brand".

Also, about 19 (40/40%) believed that the similarity among brands of FMCG is higher than the similarity among brands of durable products, while 8 persons (17/02%) had opposite belief.

Because the subject of brand parity is a perceptual subject and In fact, is the general perception of consumers towards.

This issue that there is little difference between brands in a product category, so after conducting in-depth interviews aimed to explore dimensions of parity, the results of more than 421

minutes of interviews with Atlas software shows that the perceived brand parity can be classified in five dimensions:

**Functionality parity:** In this dimension are factors that the consumer evaluates brands rationally. Consumers evaluate this dimension through product performance, physical judgments, availability, perceived price and etc. Also, in this dimension tangible and apparent factors are emphasized. To quote one of the respondents who stated, "Today we buy with our eyes" can express very well this dimension.

**Experimental parity:** Unlike the functional dimension that has largely rational view, this dimension more emphasis on the emotional aspects and indicates consumer's sentiments which are the result of the use of brands in a category of product. Feel of joy and happiness that is the result of purchasing a brand and the pleasure it brings him/her and as a result of these factors will be enthralled by the brand.

**Mentality parity:** This dimension contains factors that indicate a person's view of themselves and their lives regardless bystander and to support certain way of thinking, a consumer uses a particular brand.

For example, according to one of the interviewees who cited that: "I have a lifestyle so I would choose the brand that fits my lifestyle". So observing this point will remarkably help consumers in terms of order in life and peace of mind.

**Social relationship parity:** Unlike the subjective parity, in this dimension factors based on social relations are considered. Person by selecting a brand in a product category, feels can have better effect on friends and acquaintances and thereby gives others better looking of themselves and attract more trust from them.

**Spiritual parity:** In this dimension, there are factors which indicate that consumer has moved from self-centered to society-

centered and consider favorable life not only for themselves but also for their society so are looking for those brands that are committed to social responsibility.

"Since we are Iranian and Muslim and emotional people, so social activities of brands positively impact our emotions"

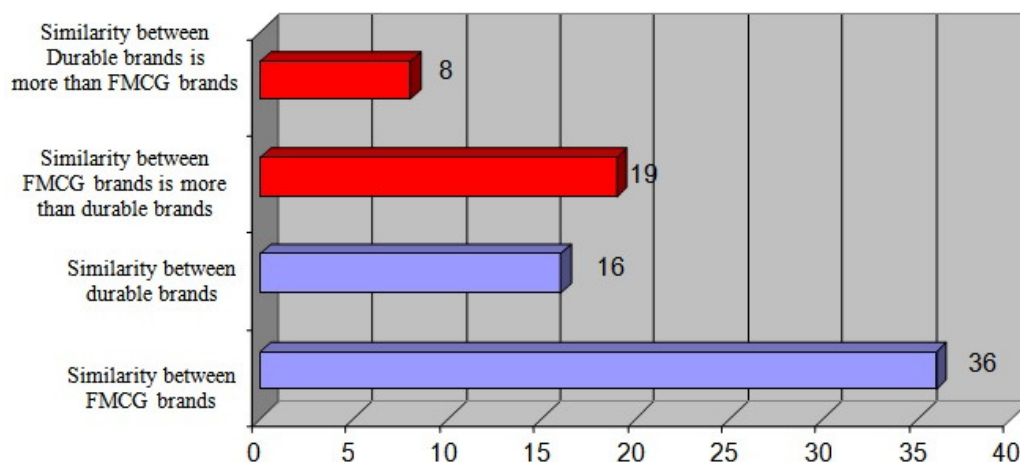
Also, to quote another respondent "When a brand does charitable activities it can be bought easier" and even more than that, to quote another respondent who stated " when a brand does humanity activities, I'm more comfortable to accept that brand at higher prices".

Important points of this part are the emphasis of the majority on:

Brands humanitarian activities should be in line with the company's core activities and secondly, if they have a functional quality because otherwise there is no charitable and humanitarian activity. And to quote one of the respondents said that "If a brand does social activities and I buy and do not have the quality, so next time I put the money in the fund charities and not in the pockets of the company.

**Table -4**  
**Qualitative analysis results of the amount of brand parity among FMCG and durable brands**

	Frequency	%
Similarity between FMCG brands	36	76/59
Similarity between durable brands	16	34/04
Similarity between FMCG brands is more than durable brands	19	40/40
Similarity between durable brands is more than FMCG brands	8	17/02



**Figure-2**

**Qualitative analysis results of the degree of brand parity among FMCG and durable brands**

**Discussion:** It is more than a decade of development of the first scale to measure perceived brand parity but poverty of research in this area is evident. In this research, with an emphasis on the Grounded Theory and depth interviews, we reached to results that are far beyond the scale of Muncy.

What Muncy emphasized in his scale was the tangible aspects of a brand. In fact, in his both research Muncy on assessment of brand parity have emphasized that differences of parity between brands in a category does not exist, but did not specify these differences were based on what criteria, and this, called into question his scale.

As Muncy conceived perceived parity to determine that parity depends on consumer perceptions and judgments. These judgments are obtained during and after the usage of brand which in another study, obtained under the experimental parity and represent emotional aspects after usage over time, emotions such as feelings of joy and gladness, pleasure and happiness.

Mentality parity dimension is the same as symbolic factors of and Evans<sup>15</sup> which is a reflection of self-report and are indicative of usage of a particular brand to support a particular method of thinking and opinion.

Also, representative factors of the Research of Brídson and Evans<sup>15</sup>, which is associated with social peer groups can be considered similar to the social relationship parity dimension which consumers is looking to look better among their friends and peers, therefore they use particular brands to achieve this goal.

Another important finding of this study is consumers do not just think about themselves, they consider the society as well. So the spiritual parity as a dimension of brand parity scale is achieved to indicate a move from self-centered to society-centered and having a favorable life for their society.

## Conclusion

The results of this study indicated that to evaluate brand parity we must either pay attention to tangible and apparent aspects, emotional aspects and latent aspects of brands. Functionality parity is of evident aspects of perceived brand parity that emphasizes on product performance, physical judgments, and other similar factors. All these factors are factors that the consumer can easily see with his eyes and tries to evaluate it.

Given that more than 76 percent stated that today it is difficult to distinguish between brands and perceived brand parity are perceived to be high and over 34 percent having considered it for durable brands, so corporate managers should take this matter seriously.

In the research section, also due to poor academic research in this area is suggested that further quantitative and qualitative

must done to develop this scale and then again to check all the components in other studies (Muncy, Iyer and Muncy, and Li et al) which evaluated the relationship between the parity and components such as loyalty, price sensitivity, and by means of Muncy's scale, and compare the results among two category of FCMG and durable brands.

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