

Indigenous Furniture Industry Marketing and Brand Innovation Assessment

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Abstract - This paper aims at the assessment of market and branding of indigenous furniture industry and offering appropriate solutions to branding in the indigenous furniture industry. There as, the studies reviews research of 23 patterns and sub-patterns under 5 criteria of market and brand equity, effect of brand, client satisfaction, promotions, and the effectiveness of the brand through hierarchical analysis procedure method (AHP). In conclusion, it revealed that, client faithfulness, appropriate quality, understood quality, appropriate price, exhibitions, solutions, the training of skilled managers, as well as the influence of brand and effect of brand have respectively been the most appropriate solution and the most sensitive criteria.

Key words: indigenous furniture industry, client satisfaction, hierarchical analysis procedure (AHP)

1. INTRODUCTION

Today's business world is a world of prominence and superiority. The time of resemblance and sameness has been passed, creativity, innovation, and prominence of the leaders are decisive in business markets, and brands, that hold those characteristics, are the incessant market leaders (Ghofrani et al. 2013). Powerful brands stimulate the formation of institutional innovation. Today, brands are regarded to be parts of institutions' priorities and main plans. Investing in trademarks is beyond annual marketing costs, and is one of strategic priorities for all enterprises. Brands may create value for the business by way of optimizing the performance and offering competitive advantages (Saeedniya 2012). Kotler and Armstrong (2008) concisely define brand as a name, expression or idiom, mark, sign, design, or a combination thereof that aim to introduce goods or services rendered by a seller or a group of sellers whereby to offset the product among rivals' products. Branding is the creation of appropriate competition between manufacturers and exporters to increase real competitive ability among them. The establishment of brands in the furniture industry not only helps the Ghanaian consumers choose the best domestic products, but it also paves the way for expansion into other countries and helps

brands in addition to retaining their market share. Roulac (2006) declared that brands might distinguish the price or the demand for the concerned goods or services. With respect to the advantages of branding, this may be utilized in export development. Chinguwa et al. (2013) stressed that furniture manufacturers should gather information from the furniture market in order to be aware of the market situation, and also to be able to optimize their products according to the needs of the customers (Norzanah et al. 2012). Ghazanfari (2008) stated that from the point of view of export, which is 50% of commerce, most challenges faced by exports arise from the nonexistence of brands. According to the report of Malaysian International Furniture Exhibition (2012), Malaysia has resorted to a brands strategy to optimize the picture of the domestic furniture market. The Malaysian government makes manufacturers focus on design and quality of their products to capture markets as planned. Fathollahzade (2006) studied international trade in the field of Iranian furniture, concluding that the most important problems faced by the furniture production industry are lack of sustained production policy, lack of appropriate financing by the banks for manufacturers, lack of skilled work force, worn-out equipment, and lack of attention to innovation. In addition, he regards lack of observation of production standards, low quality of export-grade products, lack of knowledge on target markets, as well as lack of export-oriented vision and culture among manufacturers as the most fundamental problems faced by the export sector of the industry. According to the European Furniture Manufacturers Syndicate (2010), competitive

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factors in furniture industry include ability to manufacture, quality, design, and brand name. Norzanah et al. (2012) reported that all developing countries had presently moved toward branding to compete in the field. There is currently only one Malaysian brand among global brands. The brand SFIC1 in Singapore is able to actively compete in the global furniture market. The country is developing a brand to quickly respond to changes in furniture market. In his 2009 report titled "Bangladesh furniture industry and export advancement", Nahid has named the following as factors contributing to increase in export: improvement of quality; improvement of mental picture that exists of Bangladesh in social and external contexts; increase in Bangladeshi design, brand and trademark capacity; understanding the international market and categories of export; increase in the yield of production by taking appropriate paths; and executing advanced specialized plans. Mavrogiannis et al (2008) and Leonidou et al. (2002) regard factors contributing to export as product design, composition of trademark (name, insignia, and design), after-sale services, and customer services before and after sale, and advantages of the product (luxury, quality, trust, etc.). The furniture industry of India has gradually undergone a change by branding. It has become more systematized, has developed a competitive sector, and has the ability of competing in global markets by engaging in branding and its management thereto. Lages and Lages (2003) indicate design, brand's shape, innovation, and distinguishability in production, quality of products, and services as factors that contribute to increases in exports. According to Norzanah et al. (2012), Asian manufacturers with global trade will not succeed without trademarks. As regards the employment of Analytical Hierarchy Process (AHP) method in the processes of decision-making, Azizi (2008) used the method to determine factors effective in decision-making for the appointment of production manager of a furniture-manufacturing firm. In his thesis titled "Comparison of chain store customers' loyalty", Karimi (2011) employed AHP, whereby he found that customers' trust, satisfaction and loyalty do not have a meaningful differences and that the factor that determines the supremacy of a store is quality. Khorshidi and kardgar (2009) identified and ranked factors that contribute most to

customers' loyalty, using multi-criterion decision-making methods.

The present research aims to assess and line up branding factors affecting the furniture industry, and offering appropriate solutions to branding in furniture industry. That being said, the questions are what are the most important branding factors in the furniture industry? Moreover, what are the effective solutions to apply those factors throughout Ghana? In this respect, it could be supposed that customers' loyalty and appropriate quality are among the most important factors affecting branding in the furniture industry, and that the training of skilled managers has top priority over other solutions.

1. Customers' loyalty and appropriate quality are among the most important effective indicators of branding in the furniture industry.
2. Training of skilled managers has top priority over other solutions; and influence of brand and effect of brand are the most sensitive indicators.

2. EXPERIMENTAL

In order to identify factors that contribute to the effect of branding in the furniture industry, after library researches and studies on researches conducted by others, 23 factors were identified and were divided into five categories of brand equity, effect of brand, customers satisfaction, advertising and influence of brand (figure 1). Some indicators may be described as the following:

i. Awareness of Brand

Aaker (1991) defines awareness of brand as consumer's ability to identify or remember a brand in one level of a certain product. Keller (2003) notes that the awareness of brand, with the merits of learning, attention, and choice, plays an important role in consumers' choice of purchase. A brand that has long been consumed by the household creates a high level of awareness in the consumers. This results from the long-term consumption of the brand, which may be regarded as a certain type of learning at home (Olsen 1993). Awareness may intensify the learning ability of consumers, to the point that those brands may also appear in the shopping basket of the household's younger members (Gil et al. 2007).

ii. Management of Brand

Management of brand is the employment of marketing techniques product or product line. It

pursues the increase of value for the customer and finally the increase in the sale volume. Marketers regard brand management as a tool for raising the quality expected by the customers, increasing the purchase and creation of loyalty in customers. One of the most important advantages of brand management for a firm is the possibility of raising the prices of goods and services in a certain market, without losing the customers. Brand management is in fact a distinguishing tool (Ahmadi et al. 2009).

iii. Strategy of Brand

By designating a strategy, firms establish a specific, or unwritten, identity. The establishment of such an identity and its development create a special value for the customers, whereby the firm is distinguished and will be safe among rivals. Brand strategy paves a specific way for the managers and leads and controls organizational branding plans, and consequently creates profit and productivity margin. In other words, it will result in more profit (Iranian Marketing Park 2012).

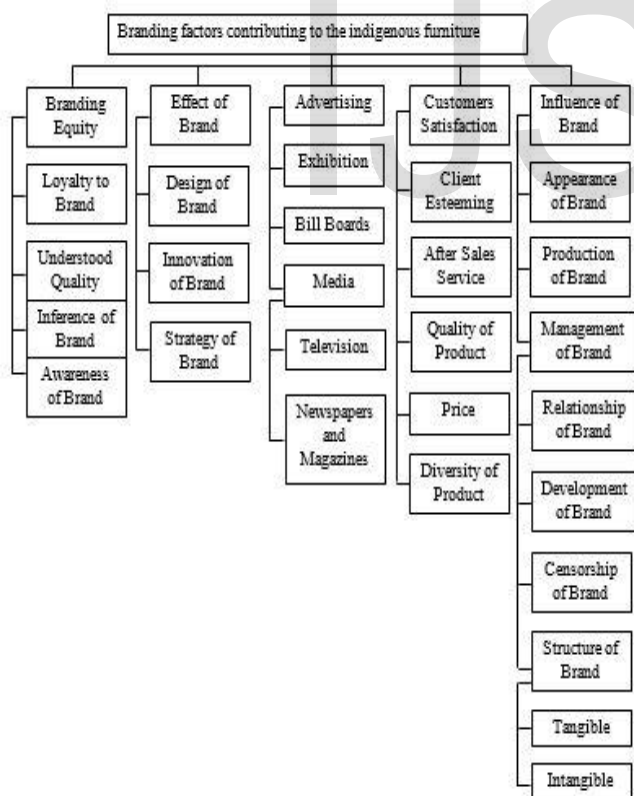


Fig.1. Hierarchy of branding indicators and sub-indicators effective on branding in indigenous furniture industry

iv. Creativity

Creativity of brand distinguishes it from rivals, and this discrimination seals the brand on the

minds of customers. A brand that includes a new concept, meets the needs of customers and is creative (Saatchi 2000), by itself attracts the customer. Creativity is a key to above factors, which all require appropriate execution of the brand.

v. Inference of Brand

Aaker (1996) states that awareness of a brand has a close relationship with inference of brand. He defines brand inference as a relationship between memory and the brand. According to Gil et al. (2007), inference creates a value and feeling about brands that distinguishes them from other brands. Furthermore, consumers store a picture in mind of the product they purchase or consume in the household, which may not necessarily be the product's name. The picture may include the shape of binding, certain design or photos, or anything else that is able to create a mental picture. Besides, the awareness in the mind of the customer, as well as connection with a strong, positive inferred is regarded as an advantage for the brand. Atilgan et al. (2005) stress that the inference of brand influences customers' loyalty and creates value for consumers and firms.

3. CONCLUSION

It may be generally concluded that based on AHP method in determining the branding Assessment in the indigenous furniture industry; customers' loyalty, appropriate quality, understood quality, appropriate price and exhibitions gain top have priorities.

Having paid attention to these factors and analyzing them in line with realizing them by solutions offered especially training managers skilled in branding, Iranian furniture manufacturers and exporters may gain their standing in the domestic and foreign markets and increase Iranian furniture export in addition to that. Therefore, presuppositions of the present research are accepted; that is:

1. Customers' loyalty and appropriate quality are among the most important indicators affecting branding in the furniture industry.
2. Training of skilled managers has top priority over other solutions; and influence of brand and effect of brand are the most sensitive indicators.

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