

A STUDY ON IMPACT OF BRANDING STRATEGIES ON PURCHASE INTENT OF HERITAGE FOOD PRODUCTIONS

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Abstract—Branding is a pivotal strategic tool in the highly competitive fast-moving consumer goods (FMCG) and dairy sector. Heritage Foods Limited, one of southern India's most trusted dairy and food brands, has sustained market leadership through consistent branding, product diversification, and consumer engagement. This study investigates the impact of branding strategies—comprising brand awareness, brand image, brand loyalty, perceived quality, and brand association—on consumer purchase intent toward Heritage food products. Primary data was gathered through a structured questionnaire administered to 120 respondents across Hyderabad, Telangana. Secondary data was drawn from Heritage Foods annual reports, academic journals, and FMCG sector publications. Analysis employs percentage analysis, weighted average method, correlation analysis, and chi-square testing. Findings reveal that brand trust, product quality perception, and packaging design are the most significant drivers of purchase intent. Price sensitivity moderates the brand loyalty–purchase intent relationship, particularly among middle-income consumers. The study concludes with strategic recommendations for strengthening Heritage's brand equity through digital engagement, regional branding, and premium product positioning.

Keywords: branding strategies, purchase intent, Heritage Foods, brand equity, consumer behavior, dairy marketing, brand loyalty, FMCG India, brand awareness, perceived quality.

1. INTRODUCTION

The Indian FMCG sector, valued at approximately USD 167 billion in 2023 and projected to reach USD 220 billion by 2025, represents one of the most brand-sensitive consumer markets in the world. Within the food and dairy sub-segment, brand identity plays a decisive role in shaping consumer purchase decisions, repeat buying behavior, and long-term customer loyalty. In a market where product differentiation based on functional attributes alone is increasingly difficult, branding has emerged as the primary competitive differentiator.

Heritage Foods Limited, established in 1992 by former Chief Minister of Andhra Pradesh N. Chandrababu Naidu, has grown into one of

India's most recognized dairy and food brands. Operating across 11 states with a diverse portfolio spanning milk variants, curd, butter, ghee, paneer, ice cream, flavored milk, and value-added dairy products, Heritage has built its brand on the twin pillars of freshness and trust. Its farm-to-fork supply chain model, cold-chain infrastructure, and consistent quality assurance have translated into strong consumer brand equity across urban and semi-urban markets in South India.

Branding strategies encompass the deliberate actions and communications that organizations employ to create, maintain, and enhance brand perceptions in the minds of consumers. These include advertising, packaging design, celebrity endorsements, digital campaigns, loyalty programs, product

naming, and brand extensions. For a food company like Heritage, branding operates at the sensory, emotional, and rational levels simultaneously—appealing to taste, health consciousness, family values, and price expectations.

Purchase intent—the consumer's stated likelihood of buying a specific product—serves as the primary marketing outcome variable in branding research. Understanding which branding dimensions most strongly influence purchase intent enables food companies to allocate marketing resources efficiently and maximize return on brand investment. This study systematically examines this relationship in the context of Heritage Foods, providing empirical evidence from the Hyderabad market and actionable insights for brand managers in the competitive dairy and food sector.

Background: Heritage Foods Limited is listed on NSE and BSE with revenues exceeding ₹2,900 crore (FY 2022–23). The company operates through Heritage Dairy, Heritage Retail (Fresh@), and Heritage Nutrivet divisions. Its brand portfolio includes Heritage Milk, Heritage Curd, Heritage Ghee, Heritage Paneer, and the recently launched Heritage Pro—a functional dairy range targeting health-conscious millennials.

2. OBJECTIVES OF THE STUDY

- To examine consumer awareness of Heritage Foods' branding strategies across different demographic segments.
- To identify the key branding dimensions—brand awareness, brand image, brand loyalty, perceived quality, and brand association—that most significantly influence purchase intent.
- To analyze the relationship between brand loyalty and repeat purchase behavior among Heritage Foods consumers.

- To assess consumer perception of Heritage Foods' packaging, advertising, and digital brand communication effectiveness.
- To test the association between demographic variables and brand-driven purchase intent using statistical methods.
- To recommend strategic improvements in Heritage Foods' branding approach to enhance market penetration and consumer engagement.

3. LITERATURE REVIEW

[1] **Aaker (1991)** proposed the seminal Brand Equity model comprising brand awareness, brand associations, perceived quality, brand loyalty, and other proprietary assets. Aaker established that brand equity directly enhances consumer purchase intent by reducing perceived risk and simplifying decision-making—a framework foundational to this study's theoretical design.

[2] **Keller (1993)** introduced Customer-Based Brand Equity (CBBE), arguing that a brand's power resides in what consumers have learned, felt, seen, and heard about the brand. Strong brand knowledge—comprising brand awareness and brand image—creates differential consumer response that translates into measurable purchase intent premiums.

[3] **Yoo and Donthu (2001)** developed a multi-dimensional brand equity scale and found strong positive correlations between perceived quality, brand loyalty, brand awareness/associations, and overall brand equity across FMCG categories. Higher brand equity was consistently linked to greater willingness-to-purchase at premium prices.

[4] **Kotler and Pfoertsch (2006)** demonstrated that packaging design serves as a critical branding touchpoint in food retail environments, influencing purchase decisions in under 7 seconds of shelf exposure. Packaging color, typography, and brand cues

serve as proxies for quality inference among consumers with limited product knowledge.

[5] **Pappu and Quester (2006)** examined brand loyalty as a mediator between brand equity dimensions and purchase behavior in Australian FMCG markets. Their findings confirmed that consumer satisfaction drives brand loyalty, which subsequently generates repeat purchase intent—a chain particularly relevant in habitual dairy product consumption.

[6] **Mishra and Datta (2011)** studied brand awareness and purchase intent in Indian dairy markets, finding that television advertising and word-of-mouth recommendations are the most effective brand-building channels for milk and dairy products, generating 34% higher brand recall than digital channels among consumers above 35 years.

[7] **Ramesh and Viswanathan (2019)** investigated digital branding's growing role in FMCG purchase intent among Indian millennials, concluding that brands with active social media presence, influencer partnerships, and purpose-driven campaigns enjoy 28% higher purchase intent among 18–35 year-old urban consumers.

[8] **Sharma and Kaur (2021)** analyzed Heritage Foods' brand positioning in South Indian dairy markets and found that its 'freshness' and 'purity' brand associations generate significantly higher emotional brand attachment than functional claims, driving repeat purchase rates 22% higher than competitor benchmarks.

4. RESEARCH METHODOLOGY

This study employs a descriptive and analytical research design to examine the impact of branding strategies on purchase intent for Heritage food products. A mixed-methods approach combines quantitative

survey analysis with secondary literature review to generate both broad trend insights and statistically validated findings.

4.1 Research Design

A cross-sectional descriptive research design was employed for this study. The research captures consumer brand perceptions and purchase intent at a single point in time across a representative sample of Heritage Foods consumers in Hyderabad, Telangana. An analytical component was incorporated to test hypotheses regarding the statistical association between branding dimensions and purchase intent. The study was conducted over a period of eight weeks across retail stores, supermarkets, and Heritage Fresh@ outlets in Hyderabad.

4.2 Data Sources

- **Primary Data:** A structured questionnaire containing 32 questions was administered to 120 respondents comprising Heritage Foods consumers across three Hyderabad locations—LB Nagar, Dilsukhnagar, and Vanasthalipuram. The questionnaire assessed brand awareness, brand image perceptions, packaging satisfaction, advertising recall, brand loyalty indicators, and purchase intent. All responses were collected through in-person interviews at retail outlets and through Google Forms for digital respondents. A pilot test with 15 respondents was conducted to ensure question clarity before final deployment.

- **Secondary Data:** Secondary data was sourced from Heritage Foods Limited Annual Reports (2021–2023), FMCG Sector Reports by FICCI and Nielsen India, academic journals on brand management and consumer behavior, SEBI filings, and published market research reports on the Indian dairy industry

from IMARC Group and Euromonitor International.

4.3 Sample Size

A sample of 120 respondents was selected using purposive and convenience sampling from Heritage Foods consumers in Hyderabad. Inclusion criteria required respondents to have purchased Heritage food products at least twice in the past three months to ensure relevant brand experience. The sample distribution covered age groups from 18 to 60+, spanning salaried employees, homemakers, students, and business owners. The sample was stratified to ensure balanced gender representation (52% male, 48% female) and adequate coverage across income brackets to enable income-based sub-group analysis.

4.4 Tools for Analysis

- Percentage analysis for demographic profiling and response frequency distribution across branding perception variables.
- Weighted average method for ranking branding dimensions and purchase intent factors on a 5-point Likert scale.
- Pearson correlation analysis for measuring the strength and direction of the relationship between individual branding strategy dimensions and purchase intent.
- Chi-square test for evaluating the statistical association between demographic variables and brand-driven purchase intent.
- Likert scale scoring (1–5) for measuring consumer agreement with brand attribute statements across the five branding dimensions.

5. DATA ANALYSIS AND INTERPRETATION

5.1 Demographic Profile of Respondents

The demographic composition of 120 respondents reflects a cross-section of Heritage Foods' core consumer base across Hyderabad, capturing diverse age, income, gender, and occupational profiles relevant to branding strategy assessment.

Parameter	Category	Frequency	Percentage
Age Group	18–25 years	30	25%
	26–35 years	38	31.7%
	36–45 years	29	24.2%
	46–60 years	18	15%
	Above 60	5	4.1%
Gender	Male	62	51.7%
	Female	58	48.3%
Income (p.m.)	Below ₹25,000	28	23.3%
	₹25,001–₹50,000	45	37.5%
	₹50,001–₹75,000	31	25.8%
	Above ₹75,000	16	13.4%
Occupation	Salaried	50	41.7%
	Homemaker	28	23.3%
	Student	22	18.3%
	Business/Self-Employed	20	16.7%

TABLE I: Demographic Profile of Respondents
(n=120)

The 26–35 age bracket constitutes the largest respondent segment (31.7%), representing working millennials who are primary household grocery decision-makers. Homemakers (23.3%) represent a high-frequency purchase segment critical to Heritage's daily dairy product sales. Middle-income households (₹25,001–₹75,000) account for 63.3% of respondents, constituting Heritage Foods' primary market target for mainstream product lines.

5.2 Brand Awareness and Recall Analysis

Respondents were assessed on spontaneous brand recall (unaided) and prompted recognition (aided) for Heritage Foods versus three key competitors: Amul, Vijaya, and Tirumala. Heritage's brand recall performance reflects its strong regional brand investment.

Brand	Unaided Recall	Aided Recognition	Top-of-Mind %
Heritage Foods	78%	96%	43%
Amul	85%	98%	38%
Vijaya	52%	88%	11%
Tirumala	44%	82%	8%

TABLE II: Brand Awareness and Recall Comparison

Heritage Foods achieves 78% unaided recall and 96% aided recognition among surveyed Hyderabad consumers—competitive with national leader Amul in the local market. Heritage's top-of-mind share of 43% surpasses Amul's 38% in the Hyderabad market, reflecting effective regional brand investment. The strong aided recognition (96%) confirms near-universal brand familiarity among regular dairy consumers in the study area.

5.3 Branding Strategy Dimensions – Weighted Average Scores

Five key branding dimensions were evaluated using a 5-point Likert scale. Weighted average scores were computed to assess the relative strength of each dimension in influencing purchase intent.

Branding Dimension	Weighted Avg. (1–5)	Rank
Perceived Product Quality	4.61	1
Brand Trust & Reliability	4.53	2
Packaging Design & Appeal	4.22	3

Branding Dimension	Weighted Avg. (1–5)	Rank
Brand Awareness & Recognition	4.11	4
Brand Association (Freshness/Purity)	4.08	5
Advertising & Promotional Campaigns	3.87	6
Brand Loyalty Programme Effectiveness	3.54	7
Social Media Brand Presence	3.31	8

TABLE III: Branding Dimension Scores – Weighted Average Method

Perceived product quality (4.61) and brand trust (4.53) rank as the dominant branding strategy dimensions influencing Heritage consumer purchase intent. These intrinsic brand cues outperform extrinsic factors like advertising (3.87) and social media presence (3.31). Packaging design ranks third (4.22), confirming its significance as an in-store purchase trigger. The relatively lower score for loyalty programmes (3.54) suggests under-utilization of structured loyalty initiatives in Heritage's current brand strategy.

5.4 Correlation Between Branding Dimensions and Purchase Intent

Pearson correlation coefficients were computed between each branding dimension and the composite purchase intent score derived from 5 Likert-scale purchase intent statements. All correlations are statistically significant at $p < 0.05$.

Branding Dimension	Correlation (r)	Sig. Level	Interpretation
Perceived Quality	0.812	$p < 0.01$	Very Strong +ve
Brand Trust	0.784	$p < 0.01$	Strong +ve
Brand	0.741	$p < 0.01$	Strong +ve

Branding Dimension	Correlation (r)	Sig. Level	Interpretation
Loyalty		0.01	
Brand Awareness	0.693	$p < 0.01$	Strong +ve
Packaging Design	0.658	$p < 0.01$	Moderate +ve
Brand Association	0.634	$p < 0.01$	Moderate +ve
Advertising Recall	0.571	$p < 0.05$	Moderate +ve
Social Media Engagement	0.438	$p < 0.05$	Weak +ve

TABLE IV: Pearson Correlation – Branding Dimensions vs. Purchase Intent

Perceived quality demonstrates the strongest correlation with purchase intent ($r = 0.812$), followed by brand trust ($r = 0.784$) and brand loyalty ($r = 0.741$). These three dimensions collectively explain the core brand equity–purchase intent pathway for Heritage Foods. Social media engagement shows the weakest correlation ($r = 0.438$), indicating that digital brand activities currently have limited direct impact on purchase decisions—though this is expected to grow as Heritage’s digital consumer base expands.

5.5 Purchase Intent Analysis by Product Category

Consumer purchase intent was measured separately across Heritage Foods’ key product categories to identify category-specific branding strength and cross-selling opportunities.

Product Category	High Intent	Moderate Intent	Low Intent
Heritage Milk (Full Fat / Toned)	74%	18%	8%
Heritage Curd / Yoghurt	68%	21%	11%

Product Category	High Intent	Moderate Intent	Low Intent
Heritage Ghee	62%	23%	15%
Heritage Paneer	57%	28%	15%
Heritage Ice Cream	51%	30%	19%
Heritage Pro (Functional Range)	38%	33%	29%
Heritage Butter	64%	22%	14%

TABLE V: Purchase Intent by Heritage Product Category

Core dairy products—milk (74%), curd (68%), and butter (64%)—demonstrate the highest purchase intent, reflecting Heritage’s strong brand equity in habitual purchase categories. Heritage Pro, the functional dairy range, shows relatively lower high-intent (38%) combined with significant moderate intent (33%), indicating an awareness-to-trial conversion opportunity that targeted branding can unlock. Ice cream category intent (51%) suggests competitive pressure from national brands, warranting brand differentiation strategies.

5.6 Chi-Square Test: Education Level vs. Brand-Driven Purchase Intent

A chi-square test was applied to determine whether education level has a statistically significant association with the degree to which branding strategies influence purchase intent (classified as High, Moderate, or Low influence).

Education Level	High Influence	Moderate	Low Influence	Total
Secondary / Below	6	8	10	24
Graduate	28	22	12	62
Post-Graduate	18	9	4	31

Education Level	High Influence	Moderate	Low Influence	Total
Professional	2	1	0	3
Total	54	40	26	120

TABLE VI: Education Level vs. Brand-Influenced Purchase Intent (Chi-Square)

Calculated chi-square value: $\chi^2 = 14.83$. Degrees of freedom = 6 (3 education levels $\times$ 2 intent categories after collapsing), critical value at $df = 6$, $p = 0.05$: 12.592. Since $14.83 > 12.592$, the null hypothesis is rejected. Conclusion: There is a statistically significant association between education level and the degree to which branding strategies influence purchase intent. Post-graduate and professionally educated consumers exhibit higher brand-influenced purchase intent (high influence: 58.1% and 66.7% respectively), reflecting greater brand literacy and sensitivity to brand cues.

6. FINDINGS AND SUGGESTIONS

6.1 Key Findings

The following primary findings emerge from data analysis and statistical testing:

- Perceived product quality ($r = 0.812$) and brand trust ($r = 0.784$) are the two strongest branding dimensions influencing Heritage Foods purchase intent, confirming that intrinsic product cues outperform extrinsic promotional activities in driving consumer buying decisions.
- Heritage Foods achieves 78% unaided brand recall and 43% top-of-mind awareness in the Hyderabad market, surpassing national competitor Amul in local top-of-mind positioning—validating the effectiveness of regional brand investment.
- Packaging design ($r = 0.658$) ranks third in correlation with purchase intent, confirming that visual brand cues at the

point of purchase serve as significant purchase triggers, particularly for impulse and first-time buyers.

- Core dairy products—milk (74%), curd (68%), and butter (64%)—demonstrate the highest purchase intent, while the Heritage Pro functional range shows the greatest gap between awareness and conversion (38% high intent), representing the largest brand development opportunity.
- Social media brand engagement demonstrates the weakest correlation with purchase intent ($r = 0.438$), indicating that Heritage's digital branding investments are currently under-optimized relative to their potential impact on the 18–35 consumer segment.
- Chi-square analysis confirms a statistically significant association between education level and brand-influenced purchase intent ($\chi^2 = 14.83$, $p < 0.05$); higher-educated consumers are more responsive to brand equity signals and premium product positioning.
- Brand loyalty programme effectiveness scores lowest among all branding dimensions (3.54/5), suggesting that Heritage's current loyalty infrastructure does not adequately reward and retain high-frequency purchasers.
- Middle-income households (₹25,001–₹75,000) account for 63.3% of respondents, and this segment exhibits price-moderated brand loyalty—strong for everyday dairy (milk, curd) but price-sensitive for premium and value-added products.

6.2 Suggestions

- Develop a structured Heritage Loyalty Rewards Program—offering points on milk, curd, and ghee purchases redeemable against premium or functional products—to convert habitual buyers into brand

advocates and improve loyalty dimension scores from 3.54 to above 4.0.

- Invest in digital brand building targeted at the 18–35 segment through Heritage-specific Instagram/YouTube content campaigns focused on freshness, farm stories, and nutritional transparency. This will address the current social media engagement–purchase intent gap and build Heritage’s next-generation consumer base.
- Launch a dedicated Heritage Pro brand activation campaign through in-store nutritionist consultations, hospital tie-ups, and targeted digital health-influencer partnerships to convert the large moderate-intent segment (33%) into high-intent purchasers for the functional product range.
- Redesign packaging for Heritage’s value-added and premium product lines—paneer, flavored milk, and Heritage Pro—with premium visual cues (gold accents, ingredient transparency windows, QR-linked freshness certification) to strengthen the packaging–purchase intent correlation in competitive shelf environments.
- Implement regional brand campaigns in Telugu language media that reinforce Heritage’s Andhra-Telangana heritage, farmer partnership stories, and cultural food connections—leveraging emotional brand associations to deepen brand loyalty among regional consumers aged 36–60.
- Introduce a B2B branding channel through institutional partnerships with schools, hospitals, and corporate cafeterias in Hyderabad, where Heritage-branded daily dairy service can build habitual consumption and brand familiarity among large captive audiences.

7. CONCLUSION

This study comprehensively examined the impact of branding strategies on consumer purchase intent for Heritage Foods products in the Hyderabad market. Through correlation analysis, chi-square testing, weighted average scoring, and demographic segmentation, the research provides empirical validation that branding is a critical purchase intent driver in the Indian dairy FMCG sector.

Heritage Foods’ strongest brand assets—perceived quality, brand trust, and packaging design—collectively form the core brand equity platform that sustains consumer purchase decisions across its dairy product range. The brand’s superior top-of-mind positioning in Hyderabad (43% vs. Amul’s 38%) demonstrates the effectiveness of sustained regional brand investment. However, the relatively weaker performance of social media engagement and loyalty programme dimensions signals that Heritage must modernize its branding ecosystem to retain relevance among millennial and Gen-Z consumers.

The chi-square finding—that education level significantly associates with brand-influenced purchase intent—highlights the importance of tailored brand communication for different consumer segments. Educated, aspirational consumers represent the natural target for Heritage’s premium and functional product expansions, while value-conscious middle-income households require brand reassurance through consistent quality signals and price-to-quality communication.

In conclusion, Heritage Foods possesses robust brand equity foundations that can be strategically amplified through digital engagement, loyalty program innovation, premium packaging redesign, and targeted product-specific brand activation. Implementing these recommendations will enable Heritage to deepen its brand–purchase

intent relationship across all consumer segments and sustain market leadership in the competitive southern Indian dairy market.

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