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Co-Branding: A Perspective Tool to Redefine the Image of Hospitality Sector of Jammu and Kashmir

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Abstract: Emergence of newer trends increased competition has led the Indian hospitality sector to redefine their approach to market. In contrast to this International hotel chains are focusing to extend their business to mid-segment hotel chains in the country thus introducing a new business model and complementing the co-branding process in hospitality sector. However such perspective has been identified as a positive aspect for increasing the demand and value for a brand(s). This study aims to study the impact of co-branding on brand image of hotel industry of Jammu and Kashmir.

Keywords: Hospitality sector, Co-branding, Brand Image and Hotel brands.

Introduction:

Increased globalization and competition have raised the bar for the hospitality sector to keep up with the pace and not even maintain but exceed customer expectations. Considering the Indian hospitality sector which is primarily based on slogan of considering guests as god, the image dimension of hospitality is assumed as a well derived approach. However it is already facing a competitive market challenges that shove it to adopt and reconsider the approaches towards the customer(s) in order to safeguard their image in market. In addition to it, co-branding has been an increasingly adopted technique that marketers have applied in attempt to transmit the positive associations of their respective partner brands into their newly created co-brand or composite brand. (Washburn et al, 2000), which may further raise a positive perspective for renewed identity for struggling or degrading brands whereas brands can reach the limits of their own identity in their process of development (Kapferer, 2000). Such a process of alliance amongst hotel chains has served an alternate strategy in apprehending customer's attention and aiming at a particular market position. It is also a point of consideration that co-branding induces new characteristics to the existing brands thus altering its image which further gives a cue for identity/image sustenance. This study approaches to define the impact of co-branding of international hotels chains on brand image of hotels of Jammu and Kashmir.

Objectives of the Study:

1. To define the need for co-branding in hospitality sector of Jammu and Kashmir
2. To study the effect of co-branding on redefining the image of hotels brands of Jammu and Kashmir
3. To suggest the strategies for improving the image through co-branding

Hospitality Co-Branding in Jammu And Kashmir-Need Analysis:

In recent years, despite overall positive performance of the tourism sector in India, major firms and players have restricted themselves in terms of investments keeping in view the near stagnation of the state's (Jammu and Kashmir) tourism industry (Gera, 2015). In lieu of this, co-branding is a way and an opportunity, making its way in the hospitality business sector to safeguard the interest of investors who aspire to introduce themselves in the state of Jammu and Kashmir as these arrangements often demand for more complex alliances in which the firms and different players are involved in joint ventures and profit-sharing agreements thus on a working together and gaining together basis (Leuthesser et al. 2003). On the other hand this perspective serves as a way in which various hoteliers can sustainably maintain their image and prevent their image from diminishing from the market as besides technological advancements, cost reduction and many research & develop ment as well as marketing expenses– co-branding is an attractive option for its potential to immediate transfer of stature imagery, and esteem of one brand to another (Paul et. al. 2003). Mere development of infrastructure is not sufficient but there is a significant need of analysis and refinement of the alternatives.

Research Methodology:

The sampling of this research paper took place in Jammu and Kashmir. Their responses are taken by using structured questionnaire. The sample size of 350 was taken from guests visited these hotels, in the month June 2015. This sample size was calculated with the help of formula given by Krejcie & Morgan, 1970. The structured questionnaire has been formulated with 5-Point Likert Scale (ranging strongly disagree to strongly agree). However secondary data has been obtained from published journals, books and articles. Out of 350 responses only 232 were found to be relevant for further analysis.

Data Analysis and Interpretation:

V. No.	Variables	Mean	Standard Deviation
V1	The services of hotels will be increased	4.72	0.45
V2	I am satisfied with the service of the hotel	4.42	0.57
V3	Service delivery will be improved	4.48	0.67
V4	The alliance will raise the quality of the hotel	4.38	0.74
V5	It will be more comfortable to stay at this hotel	3.88	1.23
V6	My willingness to visit such hotel brand is high.	4.46	0.70
V7	Hotel Alliance increases the trust among guests to the services provided by the hotel	4.36	0.90
V8	It will induces the visit intentions among guests	4.36	0.93
V9	Stay will become more pleasant	4.14	0.89
V10	Hotels will attain an easy recognition in the market	4.52	0.85
V11	Services capes will get improved	4.68	0.70
V12	Such collations attracts the guests' attention	4.46	0.78
V13	The services and product hotel will become consistent with new style and requirements	4.38	0.71
V14	The layout and facilities aesthetics of hotel brand become appealing	4.38	0.93
V15	This hotel brand now has high status/is very upscale	4.34	0.73

Out of 232 respondents it was found that 65.51% were males whereas 34.48% were females. The descriptive analysis is applied i.e. mean value and standard deviation which signifies the variance of the data and helps to understand the effect of co-branding strengthening image of hotel brands of Jammu and Kashmir among customers.

The mean value and standard deviation itself clears the above statement, as the mean value

(*) and standard deviation (**) for the brand appeal (F1=4.36*/0.81**), Visit intention (F2=4.46*/0.70**), brand satisfaction (F3=4.42*/0.66**), brand endorsement (F4=4.72*/0.5**), Brand improvement (F5=3.88*/1.23**), Brand trust (F6=4.68*/0.70**) indicates variance for each factor.

Factor Analysis of Data:

The result of initial (first run of) factor analysis, KMO was 0.554 and Bartlett's test of sphericity of significance was 0.00 (p<0.01). In addition to this, the rotated factor matrix showed that all the 15 statement/Variables about co-branding, their role in strengthening image of Indian hotels and so on were adequate and all of 15 variables were resembling or correlating with the brand appeal, Visit intention, brand satisfaction, brand endorsement, Brand improvement and Brand trust. This was considered satisfactory as it fulfilled the criteria of KMO>0.5 i.e. data used was suitable for factor analysis and significance <0.05 indicated sufficient correlations.

Factor analysis on 15 items measuring effect on co-branding on brand appeal, Visit intention, brand satisfaction, brand endorsement, Brand improvement and Brand trust has been conducted with the help of Varimax rotation of Principal component analysis. These 15 items were initially grouped under SIX different components.

KMO & Bartlett's Test

Kaiser Meyer Olkin Measure of Sample Adequacy		.553
Bartlett's Test of Approx. Chi Square		1.0025
Sphericity		
	df	105
	Sig.	.000

Extraction Method: Principal Component Analysis

Overall Explained Variance

Component	Initial			Extracted Sums of Squared loadings		
	Total	%age of Variance	Cumulative % age	Total	% age of Variance	Cumulative % age
1	3.617	24.116	24.116	3.617	24.116	24.116
2	1.905	12.700	36.815	1.905	12.700	36.815
3	1.596	10.643	47.458	1,596	10.643	47.458
4	1.401	9.337	56.795	1.401	9.337	56.795
5	1.255	8.366	65.161	1.255	8.366	65.161

6	1.047	6.982	72.143	1.047	6.982	72.143
7	.831	5.538	77.681			
8	.677	4.514	82.195			
9	.652	4.347	86.543			
10	.575	3.836	90.379			
11	.445	2.966	93.345			
12	.393	2.618	95.963			
13	.281	1.871	97.833			
14	.174	1.159	98.992			
15	.151	1.008	100.000			

Extraction Method: Principal Component Analysis

Communalities

Variable	Initial	Extrac tion
V 1	1.000	612
V 2	1.000	.570
V3	1.000	.702
V4	1.000	.750
V5	1.000	.692
V6	1.000	.775
V7	1.000	.782
V8	1.000	.716
V9	1.000	.568
V10	1.000	.703
V11	1.000	.659
V12	1.000	.815
V13	1.000	.808
V14	1.000	.824
V15	1.000	.845

Method of Extraction: Principal component analysis Component Score Coefficient Matrix

Rotated Component Matrix[a]

Variable	**Components**					
	1	2	3	4	5	6
V1	009	.080	.112	766	-.010	.080

V2	.275	.109	.603	.151	-.250	.182
V3	.287	.195	.779	.079	-.073	.006
V4	-.174	.195	.521	-.565	.285	-.099
V5	.003	-.083	.278	.155	-.005	.764
V6	.016	.860	.098	-.003	.020	.160
V7	-059	.399	-.144	-.042	.155	.757
V8	.190	.804	-.117	.029	.122	.071
V9	-.145	.174	.617	.015	.364	.061
V10	.665	.379	-.108	.315	.040	.062
V11	.197	.124	.269	.455	.558	.120
V12	.106	.619	.184	.211	.065	-.348
V13	.871	-.035	.159	-.040	-.039	-.142
V14	.856	.112	.177	.035	.207	.055
V15	.102	.074	-.097	-.125	.895	.050

Extraction Method: Principal Component Analysis Rotation Method: - Varimax with Kaiser Normalization All the loaded items defined the loading range from 0.612-0.845. Factor loadings 1 to 6 were renamed brand appeal, Visit intention, brand satisfaction, brand endorsement, Brand improvement and Brand trust respectively. In other words the fa ctor analysis all 15 items measuring Effect of co-branding on image of hotels in Jammu and Kashmir were categorized under six different components i.e. brand appeal, Visit intention, brand satisfaction, brand endorsement, Brand improvement and Brand trust.

Conclusion and Suggestions:

Approaches for co-branding had given a new dimension to Indian market. Its adaptation by hospitality sector has also provided a thrust to its business and service expansion. To increase its potential ability, the hospitality sector of Jammu and Kashmir needs to adopt such concept of co-branding to make this sector more quality services to the tourists/guests. Successful co-branding may provide value added approach to both the brands in partnership. The positive side of such concept can be taken in the renewing the image of such hotels brands that have diminished or are struggling for image creation among customers. And alliances with the other renowned brands make it easy for them to get highlighted and adopted by the customer with much ease. In general, research indicates and suggests towards adoption of co-branding strategy that could increase the brand endorsement and improvement and could further increase brand appeal to customers thus attracting the customers and induce visit intention among them. It also defines to introduce the brand trust and satisfaction among customers/guests and hence increases their sustenance tendency.

On the whole there is a requirement to:

1. Observe and analyze the compatible investors in the market
2. Increase the dimensions for alliances to make it more feasible in the region
3. Policy framework also needs to be considered to attract potential hospitality brands and further making them confident for investment.

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