



Effect of Branding on Consumer Perception: An Insight Into Literature

KEYWORDS

Brand, Branding, Consumer, Perception.

Richa Goel

Research Scholar, Department of Commerce, Delhi School of Economics, University of Delhi

ABSTRACT *Branding of a product is a means to create differences in the product from that of the competitors. Such a practice involves assigning a different name, symbol, design etc. to the product so that it facilitates the consumers in identifying the product that they are looking for and differentiating one product from another. The underlying research aims to identify the effects that branding of the products has on the perceptions of the consumers. The research, based on the review of literature, tries to explore the extent to which branding influences the decision of the customers, the reason behind the difference in the perceptions of the different customers about the same product even when the company directs a same message to all the customers, how the addition of a branded ingredient to a host brand could influence its image etc. The research indicates that branding has a strong role to play in the marketing environment and has the capacity to provide benefits to the marketers of various products.*

Introduction

In the modern marketing environment branding has come to occupy a very important place. It is an intangible asset of an organization and has an ability to give rise to a competitive advantage for the marketer. Branding is all about creating differences in the product. Branding gives an identity to the product. It adds to the value to the product which is termed as brand equity (Keller & Kotler, 2012).

The American Marketing Association defines a brand as "a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors" (Keller & Kotler, 2012).

A brand is thus any such feature of a product or a service that differentiates such product or service from other products or services that are intended to satisfy the same need. The differences may be tangible, functional or rational. Brands are often considered as synonyms for quality and enable the consumers to easily identify the products that they are looking for. While brands facilitate the consumers to search for their products they also perform a number of functions for the firms. They facilitate the handling of the products by the shopkeepers and also ease the maintenance of accounting records. Brands enable the firm to seek protection for name, symbol, distinguishing features etc (Keller & Kotler, 2012).

Since brands distinguishes one product from another they are likely to have an effect on the perception of the consumers be it the organizations or the individuals. They have the ability to create a brand loyalty among the customers and therefore create a customer base in the market that is loyal to the brand (Keller & Kotler, 2012).

The underlying research aims to ascertain the effects that branding has on consumer perception on the basis of review of literature.

Objectives

- To gain an understanding about the effect of branding on consumers on the basis of review of literature.

- To understand the importance of brand identity and influence of product grades and promotional efforts on consumers buying behavior.

- To analyze how past brand related experiences and the present image of the brand affect the decision of the consumers.

- To find the reason behind consumers developing different perceptions of the brand even when the management communicates the same message to all consumers.

- To understand how trust and commitments influences the relationship between the brand and the consumer.

- To find out whether addition of branded ingredients to the moderate quality host brands has an impact on the product evaluations, confidence in product, purchase likelihood etc.

Review of literature

Srivastava (2011) aims to find out the perception of the consumers about a specific product, Cinthol, in order to understand the importance of brand identity of a product and the factors that influence it. Brand identity has been explained as the exclusive combination of brand associations that the strategists of a particular brand seek to create or maintain. The research also seeks to gain an understanding about the effect that the product grades could have on the buying behavior of the consumers and the brand identity of the product by studying these aspects in the context of soap grades. At the same time an attempt has been made to understand the effects of sales promotion and pricing issues on the overall brand identity of the soap.

The research was conducted by interviewing 1000 respondents. Most of the respondents identified Cinthol as a family soap closely followed by male soap, though the difference between the two was not significant. Nevertheless, the research found that most of them regard it as soap for the entire family. The respondents identified attributes like freshness, good smell and cleanliness with Cinthol. It is mainly bought due to its good quality rather than extra

promotional offers and advertisements. It was found that the brand enjoyed significant brand loyalty wherein the users are willing to pay even a rupee or two extra for it, after knowing that it is a grade I soap. Users were willing to buy Cinthol even if it stops promotional campaigns. The research suggested that brand identity and brand image study could help the brand to assess the impact of change in brand personality. Frequent changes in the features of the brand may lead to the loss of the brand identity (Srivastava, 2011).

Gummerus, Korkman and Rindell (2011) seek to understand the brand strength on the basis of the role that the image of the brand plays in the consumer practices. They identified and categorized the consumer practices in a systematic manner and proposed that consumers build up unique and personal practices related to the brands.

The paper proposes that the brand strength can be studied by analyzing the practices of the consumers and the role played by the brand images in those practices. Practice refers to the instinctive aspect of the consumer decision making. The paper studies consumers' brand images on the basis of two unique concepts that are image heritage and image-in-use which are proposed to be rooted in the consumer practices. Image heritage refers to the experiences that the consumers have had with the brand in the past and Image-in-use refers to the consumer's current image construction process that is influenced by image heritage (Gummerus, Korkman and Rindell, 2011).

Brand strength is explored by using qualitative data on international retailing brand "IKEA", and a Finnish national retailing brand in Finland "Anttila". On the basis of the data links were found in between the consumer practice and image-in-use. The link was found between brand's image and practice of economic buying in case of Anttila whereas in case of IKEA links were not only restricted to home decoration and buying practices but also extended to the social cultural practices. Thus it was found that two factors which are associated with the brand strength are the importance of the practice in which the image is rooted and the complexity of innumerable links between image and practice. Thus the practices reveal the ways in which the consumers do different things with brands that can be considered as an indicator of brand strength (Gummerus, Korkman and Rindell, 2011).

Koll and Wallpach (2009) propose that customers' association with a brand is an outcome of what they have seen, learnt, felt and heard about it. The knowledge of these factors influences the behavioral and attitudinal brand response of customers and vice versa. They tried to identify that how the customers with different Attitudinal Response Intensity (ARI) and Behavioral response intensity (BRI) can differ in the context of structure and content of brand associations with regard to the same brand. An attempt was also made to find out the relation between brand response intensity of the consumers and structure and content of the knowledge about the brand.

The hypotheses were tested under two studies. One study was undertaken in the Business-to-Customer (B2C) setting so as to understand the associations drawn out by the brand and the other study was undertaken in the Business-to-Business (B2B) setting so as to look at brands elicited by relevant consumer benefits (Koll and Wallpach, 2009).

It was found that higher the BRI and ARI higher are the

number of associations and that the favorability of associations increases as the response intensity increases. Also different consumers associate different meanings with different brands. The consumers on the basis of their relationship-intensity with the brand develop different images of the brand even when the companies aim at passing on a uniform image of the brand to the consumers. Therefore it is difficult to deal with the consumers with different ARI and BRI with the same branding strategies (Koll and Wallpach, 2009).

Delgado-Ballester and Munuera-Aleman (2001) tried to study brand loyalty in a relational perspective and tries to establish a relationship based on trust and commitment between the consumer and the brand.

According to the research brand trust plays a very important role in securing the commitment of the customers particularly in case of high involvement of the customers. It is found that overall satisfaction associated with the brand enhances its trustworthy image. Moreover the involvement of the customer with the product is also influenced positively by the positive effect of the overall satisfaction of the customer on brand trust. Further the customer commitment towards a brand increases the higher the brand trust and the more the customer is involved with the product the higher is the effect of brand trust on customer commitment. As a result of the higher customer commitment towards a brand, the individual is more willing to pay a higher price for it in comparison to the other brand to which the individual feels less committed (Delgado-Ballester and Munuera-Aleman, 2001).

Carthy and Norris (1999) confirmed that the brand name of the product is affected by the expectations and perceptions associated with the product. They found that the quality perceptions and product evaluation of a moderate quality host brand improved when a branded ingredient is added to that host brand. However no such effect was found for the higher quality host brand. Branded ingredients have the capability to improve the quality perceptions about the product even if such perceptions are already high. However branded ingredients do not improve the purchase likelihood of the host brand. Addition of a branded ingredient to a moderate quality host brand has the capability to eliminate certain competitive advantages of the higher quality host brand with regard to product quality perceptions. Branded ingredients improved overall taste perceptions for both moderate and higher quality host brands and ingredients taste perception for moderate quality host brands.

Overall analysis proved that addition of branded ingredients can act as a signal of product quality and can improve the performance of the product in product evaluation and acceptance. Addition of branded ingredients to moderate quality host brand can prove to be a very powerful strategy for the host brand for improving its competitive position in the market. However the moderate quality host brands are benefitted more by the addition of branded ingredient than the high quality host brand (Carthy and Norris, 1999).

Conclusion

Based on the review of literature it can be concluded that

- Frequent changes in the branding of the product create confusion in the minds of the customers and thus adversely affect the brand identity.

- If the consumers have an inherent liking for the product they are not influenced by the fact whether the company is undertaking promotional campaign or not. The consumers are influenced by the quality of the product and are willing to pay an extra amount to purchase the product they like.
- The brand images do effect the consumer's decision to buy a particular product; however, these decisions are also influenced by a number of other factors like economical buying, socio-cultural level etc.
- Customers associations with a brand are the result of what they feel, learn, see and hear about the brand. This knowledge impacts the attitudinal and behavioral brand response of customers and vice versa. Therefore different customers have different views even about the same brand.
- Brand trust is positively related to customer commitment and overall satisfaction especially in the cases of high involvement of the customers.
- Addition of a branded ingredient to a moderate quality host brand has the effect of improving the perceptions about the host brand. However the addition of a branded ingredient proves to be more beneficial for a moderate quality host brand than for a high quality host brand.

Scope of further research

The current research is based only on the review of literature. Therefore future researches could verify the conclusions of the research by collecting the primary data. Future research could also be done to ascertain whether the perceptions of the consumers about different brands are affected on the basis of their income, social backgrounds etc.

Further research could be done by investigating the role played by brand trust as a factor influencing evaluations of a brand extension (Delgado-Ballester and Munuera-Aleman, 2001).

Future research should look at the effect of brand behavior, for example amount spent on the brand, willingness to pay for the brand or brand community membership and participation (Koll and Wallpach, 2009).

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