

THE EFFECTS OF BRAND IMAGE ON CUSTOMER SATISFACTION AND LOYALTY



Commerce

KEYWORDS: Brand Credibility, Brand Commitment, Customer relationship management, Satisfaction, Customer loyalty, Customer behavior

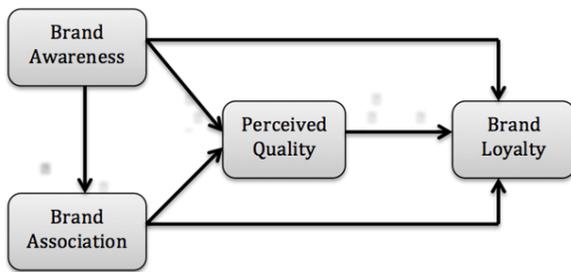
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ABSTRACT

According to Wheeler (2013), brand is the name, term, symbol or any other features that differentiate one product from other companies' products. The brand image should be managed carefully because it is an important asset for the organization in order to create values for the shareholders and other associated groups. The product differentiation is associated with the symbolic value of a brand. The current business environment increase the entry of new product and competition and service leads consumers to choose particular product or services among the group of alternatives. It is therefore important for the companies to focus on differentiating their product from their competitors. In order to attract new customers and retain the existing customers for any organization, the brand image is very important because of the fact that the customers always seek for branded products or services in this current competitive market environment. It is therefore, the companies are facing intense challenges in maintaining and enhancing their brands. The use of brand credibility by companies continues to be a popular method to support the brand commitment. The reason that lies behind using brand credibility is its direct and indirect strong impact that makes customers more positive toward the brand. The main purpose of this research is to examine the effects of brand image on customer satisfaction and loyalty intention. It also examines the relationships between the brand image and customer satisfaction, brand image and loyalty intention as well as customer satisfaction and loyalty intention.

Introduction:



It is very important for the companies to make Globalization, diffusion of markets and growth of IT This is where the brand image comes in. The brand have all improved consumer knowledge and produced a image helps the companies to make a distinct place for state where extensive accomplishment is no longer their brands in the minds of the consumers. Brand image possible through optimized product and price is believed to have an immense influence on consumer technologies. As an alternative the companies have to satisfaction and Brand loyalty. Hence we can see that there is more emphasis on role in capturing loyal customers. It is frequently used as winning loyal customers than capturing new ones. The consumers are available with so spread a positive opinion about a brand. Many alternatives to chose from and so they don't care Most of the researches conducted prior to this about sticking to one particular brand. The consumers focused on customer loyalty which is entirely different receive wide choices in prices, product quality and from brand loyalty.

Brand credibility is considered wealth for any company; it can be used as strong points in the competition market. A trusted and recognized brand identity provides confidence for customers to use the products offered by that brand. Therefore, the successful organizations always work hard to build strong brand and represent it in a consistent and clear way. Customer loyalty and customer satisfaction are also widely accepted issues for all the companies, which is applied as a marketing benchmark for the performance of the company It is important to illustrate that if a customer is happy with the product or services then he is interested to show loyal attitude towards the brand i.e. willing to pay more, willing to provide positive word of mouth and to display loyal behaviors.

Objectives of the Study:

The main objectives of this research are as follows:

- To significantly observe the relationship between brand image and customer satisfaction.

- To vitally assess the relationship between brand image and customer loyalty intention.
- To investigate the relationship between customer satisfaction and customer loyalty intention.

Research Methodology:

All the necessary data are collected through primary and secondary sources. The primary data are collected through structured questionnaires survey from the customers. This tool is used because it is a strong method to gather the attitudes and opinions of the respondents in an economic way. The necessary secondary data are obtained from different secondary sources such as journals, research papers, newspaper articles, books, company reports in this research. The participants are selected on the basis of their availability and their interest. A pilot study was conducted to test the relevance, clarity, validity of questionnaires, test the adverse factors.

The Characteristics of Successful Brands:

"A brand is a term, design, name, symbol or any other features that distinguish one company's product to the others" (American Marketing Association, 2013).

There are a lot of great traits of successful brands. The successful brand might be entirely distinct in character; they communicate something in common, for instance, well price product, consistent quality, memorable, reliable and unstoppable. Customers are drawn into it because it is different and unique. In addition, successful brands are unstoppable due to the fact that they are multi-dimensional, customers can never get enough of them since they are confident and strong. Great brands always focus on innovation which prevents becoming complacent and stagnant.

Brand Equity:

Brand equity refers to a set of assets and liabilities associated with brand, together with its name, symbol that can perform beneficial or detrimental effects on the values obtained from products or services offered by a company.

Brand equity refers the unique consequences of marketing enforced by particular brand. Referring to the positive influence of brand equity, it occurs when customers are willing to spend more for the equivalent quality due to the attractiveness of the symbol connected to the service or products. For customer perspectives, brand equity might offer important information regarding the brand which increases their confidences while making purchasing decision. If a customer has good perceptions about a brand then he/she will certainly repurchase the product from that brand.

The concept of brand equity can be further divided into four sub areas: brand awareness, brand loyalty, brand associations and perceived quality.

- **Brand Awareness:**

One of the main determinants of brand equity is brand awareness. It indicates to the capability of potential customers to recognize and recall the brand, connecting the brand with its equivalent product class.

- **Brand Loyalty:**



Brand loyalty is also one of the key factors of brand equity that directly and positively influences brand equity. It refers that an individual purchases products or services from the same brand frequently rather than from other brands. Customers continue to purchase the brand under the influence of brand loyalty, regardless of the superior features, convenience owned by competitors and prices.

- **Brand Associations:**

Brand association is defined as the particular connection between the brand and the memory. In addition, the intangible qualities such as distinctiveness and innovativeness are also considered as brand associations.

- **Perceived Quality:**

Perceived quality refers to the perceptions of customers of the superiority or overall quality of the service or product. It is a type of intangible overall feeling of the customers towards the brand.

- **Customer Satisfaction:**

According to Oliver (1997), "satisfaction is the consumers' fulfillment response. It is a judgment that a product or service features, or the product or service itself, provided a pleasurable level of consumption-related satisfaction including levels of under- or over-fulfillment". customers can obtain satisfaction from overall service or product; particular performance of the product; representatives of the company or department; various transactions like presentation of sales, delivery of products, repair service, after sale service, complaints handling; and post-purchase and pre-purchase relationships generated by a company with their customers. Customer satisfaction is the fundamental goal for organizations.

Measurement of Customer Satisfaction:

Different companies adopt different mechanism to measure customer satisfaction. Measurement of customer satisfaction can help to hold existing customer and may provide directions about how to attract new customers from the competitive business environment.

The service quality is complicated to measure because customers and service providers are from different backgrounds and sometime same customer may act in different manner with equivalent services or products. The first model to examine service quality is proposed by

which focused on three factors: technical quality, functional quality and image quality. In this model, the technical quality referred what is delivered, functional quality indicated process of service delivery, and the image quality indicated achieved image by functional and technical quality.

- **Links between Brand Image and Customer Loyalty:**

It is accepted that positive brand image contributes to enhance customer loyalty and also, customer loyalty has great roles in building strong brand image of a company. It is therefore, brand image is essential for companies to gain lifetime customer loyalty which leads to gear up organizational efficiency. If there is a favorable brand image then proactive public relation obtained by customers is more harmonious to organizational reputations and customers are well capable to maintain positive attitudes, beliefs and behaviors. Consequently, the favorable brand image can increase public relation effects and augment customer loyalty.

- **Links between Customer Satisfaction and Loyalty:**

A lot of researches have confirmed that customer satisfaction has positive influence on customer loyalty. If the customers are satisfied with the services or products offered by a brand then they have more willingness to recommend the services or products to others; have less probability to switch other brands, and more likely to repurchase from the same brand. Customer satisfaction has strongly affected loyalty intention such as intention to repurchase, intention to recommend and intention to revisit the store.

Conclusion:

This research concluded that overall brand image has significant positive effects on customer satisfaction as well as customer loyalty intention; and also customer satisfaction in an organization has significant positive effects on customer loyalty. As brand image has positive influences on customer satisfaction and customer loyalty, it has meaningful theoretical importance while formulating the brand strategy in an organization. These findings further enhance the strengths of brand image to maintain higher level of customer satisfaction and loyalty.

Moreover, these findings and research instruments may have practical use for the upcoming researchers in the field of brand image, customer satisfaction and customer loyalty. Brand credibility well in the long term to improve the concept of brand commitment and to make customers create gorgeous and positive words about the brand.

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