

Brand impact on consumer behavior and Customer loyalty



Commerce

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ABSTRACT

Almost every concern wants to name its products. These names given are brand names. Branding plays an important role, it is because, brand name is quite different from ordinary name. In a competitive business environment, customer satisfaction and brand loyalty is emerging as an issue for business firms. Most of the business organizations consider a brand image as a powerful asset for their success. A trusted and recognized brand identity provides confidence regarding 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. As a result, the process of building a reputed brand image and attracting new customers remains an important task for the marketing managers in any organization. The objective of the study is to know the impact of brand image on customer satisfaction and the relationship between brand images with purchase behavior.

INTRODUCTION

Day by day, the markets are getting more competitive and consumer driven. Products are presented to consumers never in the most natural form. Rather, they are packed, branded and surrounded by related products and services. Launching of new product is the toughest job. However, the consumers who are loyal to the brands or products of a particular company say, Godrej, Colgate Palmolive, virtually, they are addicted to that brand. This is particularly true in case of smokers, shops, tooth paste, hair oils, and creams and jells, scents and deodorants. This is equally applicable to consumer durables. In this case such a company is launching a new product, it will be easily accepted because of past trust in the company. If a product wins consumer reputation, the manufacturers gain control over product distribution. The class of middlemen always tends to go for a successful brand. It is easiest way of identifying product or service that a consumer likes. A branded product is a distinct product in his eyes. A brand is a symbol, a mark, a name that acts as a means of communication which brings about an identity of a given product. Brand is product image, brand is quality of product, brand is value it is personality. The study is based on brand relationships theory in which customers generate individual relationships based on their individual perception of brand value, brand meaning and their experiences. Customer satisfaction is important in maintaining customers, particularly those in product industry. For customer satisfaction, managers should understand customer-specific needs, provide good quality products, and should have the capacity to address customer complaints or problems in a friendly manner.

BRAND IMAGE AND CUSTOMER SATISFACTION

Branded products tend to have improvement in quality over the years. It is naturally out of competition. Good brand and branding gives greater bargaining power to the manufacturer with the dealers. This is because there is already a pull in favour of the product. Hence there is no need for a great push by retailers. Brand is considered as a major intangible asset because all the physical assets such as plant, equipment, inventory, building, stocks and bonds can be duplicated or copied very easily, however it is almost impossible to duplicate brand name. Absence of brand name will make repeated purchase stand still. Sales promotion is founded on the idea of product identification or product differentiation. This difference is done by a brand. Major weapon of product popularization is advertising. And it is futile to advertise a product without a brand name. Even the work of salesman would be a failure in absence of a brand name. Thus branding plays a highly creative role in determining the success or failure of a product. The customers satisfy with the reasonable prices, location, availability of products, and provision of timely and accurate information to customers, and product availability.

Nowadays, consumers rely less on established and well-known brands in markets instead they are sensitive toward value-for-money products. To them, fairer price, more value for a cheaper price, more

for same, and less for more are the winning strategies. Through cheaper price, private brand products may up lift consumers' perception and purchase intention. This trend of private brands is actually matured in advanced countries and active in promoting the use of private brand. The idea behind brand image is that the consumer is not purchasing just the product or service but also the image associated with that product or service. Brand images should be positive, unique and instant and not created but formed. When the consumers purchase the product, they are also purchasing its image. Brand image is the objective and mental feedback of the consumers when they purchase a product.

Consumer purchasing behaviour is changing over time. Consumers have wider options in terms of products selection. Indeed, organizational success is a direct consequence of brand image and which is measured as a significant feature of current marketing strategy. Market competition is no longer limited to provide functional attributes of the product itself but has been associated with a brand that can create a special image for its users. It is important for organizations to measure customer's satisfaction in order to analyze their product image performance and whether their satisfied customers are willing to recommend their branded product to others as well as having the intention to purchase their product in the future. Satisfied customers are willing to recommend their branded product to others as well as having the intention to purchase their product in the future. Finally, in order to create a successful brand, marketing managers should be more devoted on building brand image and customers' satisfaction as part of their branding strategy. By maintaining and strengthening the brand images and values, it will hopefully position the brand positively in the minds of consumers

FACTORS INFLUENCING PURCHASE INTENTION OF CUSTOMER

First major factor affecting purchase intention is price of the product. Consumers' perception on pricing is unique. If the price is set too low, it may lead to a negative perception on quality. The perception toward price tag reflects the quality embedded. Low price may reflect low quality while high price with high quality Information and details about the product cost, transaction cost and its accessibility through mass media influence consumer's evaluations and reactions to price. Thus there is a positive relationship between perceived price and purchase intention.

Secondly, Quality of the product affects their decision. The origin of product such as country produced and manufacturer affect consumers' brand image perception. In comparison between national and private brands consumers tend to favour national brands because they are more familiar, reputable and better coverage on media. Perceived quality refers to consumer's evaluation of a products or a brand that meet an individual's expectations. Such evaluation by individuals is the comparison of their experience

between two brands .Product quality enhances competitive advantage. Thus there is a significant relationship between perceived quality and purchase intention.

Another factor is confidence .Confidence is the level of safety perceived toward a brand. The success of private brands in India is found to be related to high level of confidence. This suggests that high confidence may lead to positive purchase intention toward brand. Lower label information contributes to low consumer confidence. Therefore, knowledge about the product promotes better understanding the customer to make better purchase decision There are five dimensions to measure consumer's confidence i.e. concerns about production , product safety, recall, trust in the community and individual differences.

Lastly, their decision is influenced by social Influence .Social influence refers to actions, feelings, thoughts, attitudes or behaviors of individual change through interaction with other individuals or groups. It can be seen in socialization, peer and family pressures. In social psychology, it is often related to the impact of social norms toward the changing of individual behavior and attitudes. Buying decision is related to having social values that derived from a need to be respected and to acquire desirable social status. Based on observations, most consumers do not shop alone.

These variables are significant predictor in consumer's purchasing behavior and decision making. Positive buying intention occurs if only actual outcome exceeds expected outcome

ROLE OF BRAND LOYALTY

The customer loyalty is the measure success of the supplier or the marketer to retain the customers with him. It means customer is sticking to the marketing organization or the supplier though he may be having other options. It is quite possible that the company may not have the product or may not be able to deliver in time or may have other constraints but still the customer might ignore other options and prefer to continue with the supplier because that supplier provides him with more value for money benefits and comforts. Loyalty is created only when customers perceives fairness, equity, and transparency in his or her relationship with marketer.

Brand image have both direct and indirect effects on loyalty. Nevertheless, brand image can be certainly viewed as a predictor of customer loyalty. a positive brand image appears to stimulate customer loyalty. It is accepted that positive brand image contributes to enhance customer loyalty. Brand image therefore is essential for companies to gain lifetime customer loyalty which leads to gear up organizational efficiency. The reputation of a company is associated with organizational values, purpose and visions which can be expected as wider influences. The reputations connected with the name of company may act as the umbrella. Therefore, the reputation could lead customer loyalty because of trust that a customer can get through public relation.

HOW TO ENHANCE BRAND LOYALTY?

Customer is the paymaster for any organization. He needs and deserves every attention. Constant and matching communication feels them that they are something special to marketing organization. Consumers are emotional too. When the marketing house attaches or gives much importance to their emotions it clicks in favour of the firm truthful credibility is trustworthiness. It is the customer's faith in the brand. Trustworthiness never fades with the passage of time. The brand must hold a position in the consumer mind that sets it apart from the host of the players in the category. Pragmatic positioning achieves a valued differentiation in consumer's mind. Pre and post sale services play significant role. These services rendered should be handled skillfully to make feel the customers getting superior and valued service. Unending comfort and confidence play significant role in extension of long term loyalty.

Band value of Popular brands in India

Tata group- brand value Rs, 742.18 billion

Airtel- brand value Rs.350.44 billion

Reliance industries- brand value Rs 349.24 billion

HDFC Bank- brand value Rs.240.06 billion

LIC- Brand value Rs. 236.05 billion

The state bank of India- brand value Rs.232.21 billion

Infosys- brand value Rs. 230.64 billion

Conclusions

In modern competition environment, brand image is established successfully and is increased as a result of customer satisfaction. Now, the businesses understand the significance of how they are perceived by their target audiences. Brand loyalty is essential for long term profitability. There will be a decrease in the advertisement costs of the seller. Also, increase in loyal customers will enable more flexibility in the price adjustments of other products. Even more, new customers will be attained by word of mouth and customers' suggestions. This will enable corporation to acquire competitive advantages, compared to their competitors and to improve their successes. Customer satisfaction strategies should be implemented to attract, retain and improve customer loyalty. This would improve organization performance. Management need to have a thorough understanding of customer beliefs, behaviors and competitors. The identification of brand image benefits of the branded product will help customer to establish effective marketing strategies. Knowing this, may assist managers to develop a marketing strategy based on consumer's perceptions. Therefore, there is a need to understand the important roles of brand image and brand satisfaction in order to enhance their brand appeal.

References

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