



# Effect of Branding on Consumer Buying Behaviour

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## ABSTRACT

Brands influence the consumer's decision-making process. The four main points in this case are logo awareness, common sense, market share and product loyalty. The logo, image and emotions of the brand play an important role in helping customers to remember and think about the brand in various situations. Research shows that the relationship between brand perception created by brands and consumers greatly affects purchasing behaviour, especially in the clothing industry. The purpose of this study is to investigate the impact of the product on consumer needs and to examine the relationship between various aspects of the product equation (such as brand, market share and product loyalty) and consumer behaviour when choosing a brand. For this reason, the fixed budget of the brand is important in the choice of customers in the clothing industry. The findings indicate that branding significantly affects purchasing decisions, brand loyalty, and consumer attitudes. The study highlights the importance of effective branding strategies in gaining a competitive advantage and emphasizes the need for continuous innovation and direct marketing for non-branded products.

**Keywords:** Brand equity; customer buying behaviour; brand recognition; brand association; customer behaviour.

## 1. Introduction

Brands can have various types of names, such as arbitrary, coined, and suggestive brand names. An arbitrary brand name does not provide any information about the manufacturer or the characteristics of the brand. A coined brand name gives an indication of who the manufacturer is. A suggestive brand name hints at the features or characteristics of the brand. Additionally, brands can be classified based on ownership, the number of products they offer, their geographical reach, and their usage.

The relationship between branding and consumer buying behaviour is a key area of study in marketing theory. Grounded in psychological and behavioural principles, this theory examines how various branding elements and strategies influence consumers' decisions during the purchasing process. It explores the complex interaction of cognitive, emotional, and social factors that shape consumer perceptions and preferences.

In today's ever-evolving and dynamic business environment, understanding customer perception and brand equity has become crucial (Sheikh et al., 2021). Marketers need to gauge the extent to which customers are influenced by brands when making purchase decisions. According to Angus et al. (2004), a brand encompasses a name, term, insignia, symbol, design, or a combination thereof, intended to identify the products or services of a seller or group of sellers and differentiate them from those of competitors. Franzen & Moriarty (2008) note that branding has significantly evolved over the decades, with its impact on customers being profound and long-lasting.

Numerous scholars have investigated the underlying reasons for this phenomenon. For instance, Kotler & Keller (2006) assert that companies engage in branding to differentiate their products from both branded and unbranded goods,

thereby facilitating customer identification. Brands have become integral to consumer recognition. In the highly competitive clothing industry, companies strive to increase their market share, leveraging branding as a strategic tool to gain a competitive advantage.

Indian products have become crucial to consumer reputation, and global consumers are increasingly attracted to high-quality products. The apparel industry, particularly in India, has experienced substantial growth over the past decade. The rapid evolution of fashion products and the burgeoning market have created opportunities for both local and international designers to cater to diverse customer needs.

Branding is essential for organizations as it directly attracts customers. In a growing economy, the clothing industry has seen remarkable growth over the last decade. A brand is built on customer trust and satisfaction, enabling savvy consumers to easily recognize and purchase products. When customers buy a product and recall the brand, it indicates strong brand awareness. Customer satisfaction extends beyond loyalty, as satisfied customers often promote the brand through word of mouth. A superior brand experience fosters a belief in the brand's high quality, ultimately leading to increased reputation, customer base, and revenue. Therefore, the objective of this study is to recognize the influence of branding on consumer purchase decisions.

### **History of Branding**

In the realm of marketing, brands emerged in the 19th century alongside the rise of packaged goods. The shift to industrialization relocated the production of household items like soap from local communities to centralized factories. These factories, producing goods on a large scale, needed to market their products to a broader audience, which was accustomed to local goods. It became evident that a generic package of soap struggled to compete with familiar, locally-made products. Manufacturers of packaged goods had to convince the market that their products were just as trustworthy as the local alternatives.

What's particularly intriguing are the underlying needs that drove the emergence of branding: ensuring honesty, providing quality assurance, identifying the source or ownership, holding producers accountable, differentiation, acting as a form of identification, and fostering emotional connections. Remarkably, people value brands for many of these same reasons today. Clearly, examining history offers insights and perspectives on modern-day branding.

### **Branding in Today's Market**

A central role of branding is to simplify the consumer choice process. With countless similar products available, consumers naturally seek to streamline their decision-making by selecting brands with which they've had positive experiences in the past. Therefore, branding effectively eliminates the need for consumers to actively seek out information when they recognize a need or desire, guiding them towards brands that have previously satisfied them.

It's important to acknowledge, however, that frequent brand loyalty isn't always solely based on past experiences but can also stem from ingrained perceptions. Consumers may strongly prefer a brand despite lacking prior purchasing experience. This behaviour can be influenced by exposure to advertising campaigns, a company's public relations efforts, or convenient local distribution.

From a company's perspective, branding fosters the natural differentiation of their products or services, leading to a competitive advantage. This differentiation only translates into a competitive edge if the cost of differentiation is significantly lower than the revenue generated by sales. A distinctive advantage allows companies to position their offerings relative to competitors in the same market space.

## **2. Literature Review**

The term "brand" originates from the Norwegian word "brand," meaning to burn. Historically, farmers marked their livestock with identification symbols to distinguish their property. Today, while companies produce products,

customers buy brands. Consequently, marketers use branding to differentiate their offerings from similar products and services provided by competitors. A brand also inherently assures customers that the quality of their purchase will be consistent with previous experiences of the same brand.

A brand is defined as a name, term, sign, symbol, design, or a combination of these, used to identify the goods or services of one seller or a group of sellers and to differentiate them from competitors.

Branding serves as a process, a tool, a strategy, and an orientation. It involves building long-term relationships with customers by understanding their needs and desires, ensuring that the brand can meet their mutual aspirations. Branding is particularly effective as a differentiation strategy when a product's tangible features are not easily distinguishable, such as with many services and durable goods, or products perceived as commodities. Brand building focuses on customer satisfaction, aiming to retain customers through a blend of tangible and intangible elements. When customers feel satisfied, they develop loyalty to the brand.

Kotler (1999) elaborates on the concept of brand identity by stating that a brand can convey up to six different levels of meaning to its target audience, known as the Six Dimensions of the Brand:

1. Attributes: A brand communicates specific attributes, such as prestige.
2. Benefits: A brand enhances a product's attributes by conveying a set of benefits that make it more appealing.
3. Values: A brand reflects a company's core values and belief system.
4. Culture: A brand represents the socio-cultural characteristics of its target audience.
5. Personality: A brand can project behavioural personality patterns of its targeted consumers.
6. User: A brand can, in some cases, emulate the end user.

From the consumer's perspective, brand names are as fundamental as the product itself because they simplify the purchasing process, guarantee quality, and often serve as a basis for self-expression. Thus, if a company markets a brand name as merely a name, it misses the entire purpose of product branding. The challenge is to develop a profound and multifaceted meaning for the brand. Once a target market segment can visualize all six dimensions of the brand, it will establish a strong connection within the consumer's purchase decision-making process.

### **Brand awareness**

Aaker (1996) describes brand awareness as "the user's ability to recognize and recall the logo in a specific context." Symbol awareness encompasses both brand recall and logo recognition. Effective brand awareness means that the user can accurately remember the logo's name upon encountering it. This also implies the ability to retrieve the brand from memory when the product category is mentioned. In essence, brand awareness signifies that consumers have seen or heard of the brand. When customers are familiar with the brand name, it becomes part of a unique set of brands that they consider during the purchasing decision process.

### **Brand Association**

Keller (1993) defines it as "the ideas and thoughts that buyers recall about a particular brand or product." Aligned with Shocker et al. (1994), Brand Association manifests in various forms and contexts, including tangible, functional, intangible, and experiential. They propose that symbolic associations can be categorized as attributes, benefits, or attitudes. Attributes pertain to both product-related and non-product-related features. Product-related attributes are those elements essential for the product to be perceived as desirable by consumers. Non-product-related attributes refer to the positive or external factors associated with its purchase or consumption.

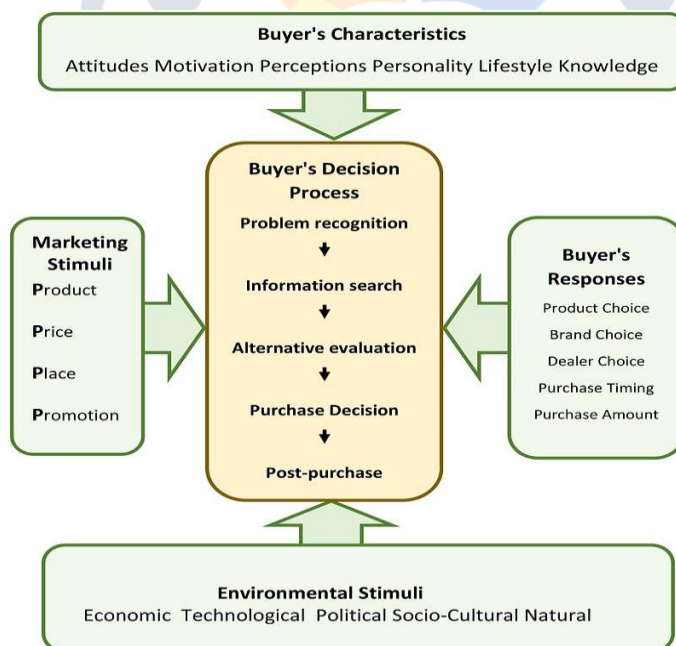
## Brand Identity

Brand identity encompasses a distinct set of functional and psychological associations that a brand seeks to establish or uphold. These associations embody what the brand ideally represents. In the corporate context, a brand strives to create a cohesive perception of the company among its various stakeholders, fostering a positive corporate reputation in the eyes of the public (Hatch and Schultz, 2003).

When confronted with fierce competition in the market, a brand's personality and reputation serve to differentiate it from rival offerings. This differentiation can lead to customer loyalty and growth. A robust brand identity, clearly understood and experienced by customers, fosters trust and sets the brand apart from competitors. Establishing a clear and consistent brand identity involves aligning brand attributes with communication strategies that are easily comprehensible to customers. The brand can be perceived as a product, a personality, a set of values, and the position it occupies in people's minds—brand identity encompasses everything the company wishes the brand to represent.

In the face of intense competition, effective brand management entails actions such as establishing brand identity, defining its attributes, uniqueness, and equity. Concepts such as brand vision, mission, and identity are integral to this process. Brand identity encompasses all aspects that give the brand meaning and distinction, including its moral image, purpose, and values, which collectively define its essence and differentiate it from others (de Chernatony, 2002). The identity of strong brands encompasses emotional benefits, which bolster the brand's strength. However, for a brand to build equity with consumers, it must also provide functional benefits. Moreover, additional value is conferred when the brand offers the benefit of self-expression, reflecting the consumer's image (Aaker, 1996).

Past research emphasizes that brand identity is crucial for distinguishing a product and ensuring its continued existence. The fundamental provision of brand identity is a means to connect with consumers effectively. A brand must engage with consumers to thrive in the market.



**Fig 1: Framework of Customer Purchase Behaviour**

The decision-making process in Radar records clients' readiness to purchase a product or service. Businesses utilize the five-step buyer model to understand customer actions at a deeper level (Kotler & Keller, 2006).

**1. Problem Recognition:** The process begins when the buyer identifies a problem or need through internal or external stimuli. Entrepreneurs must target cases that fulfill specific needs by gathering data from potential customers, crucial for generating customer interest.

**2. Information Search:** Once customers recognize a desire to make a purchase, they begin searching for information. Drawing from past research can provide users with sufficient data to inform their current decision-making. This



involves accessing various sources, including personal (family, friends, peers), commercial (advertisers, vendors, stores), public (media, customer groups), and experiential (product usage, reviews) resources (Schiffman & Kanuk, 2014).

**3. Evaluation of Alternatives:** During this stage, consumers compare different products and brands to make a decision. They focus on qualities that best meet their needs, often considering factors like price and quality (Blackwell et al., 2011).

**4. Purchase Decision:** In this phase, consumers prioritize their preferred brands within their set of needs. They may opt to purchase from different brands based on their preferences.

**5. Post-purchase Evaluation:** After making a purchase, customers may reflect on their decision and consider if they could have chosen differently. This evaluation may influence future buying behaviour

### 3. Objectives of the Study

Importance of understanding branding and its impact on modern day markets is vital to the health and growth of most industries. The aim of this study is to put into perspective the functional values of branding as well as assess its role in the consumer purchase decision-making process.

- To study the effect of brands on consumer buying behaviour in relation Branded Products.
- To analyse the branding strategies adopted by some of the companies with respect to the consumers into buying their products.
- To do a comparative study of the branding strategies adopted by the companies.
- To check the existence of relationship between the independent variables and the dependent variable along with the direction of the relationship.

### 4. Limitations of the Project

This study is limited by time constraints, as it involves numerous complex variables that require extensive study over an extended period.

- The study did not examine the effect of branding on a large scale; only a small population was studied, which may not accurately reflect the broader picture.
- The consumers were often reluctant to answer the questions, which may have introduced bias into the responses.

### 5. Research Methodology

A customer survey conducted via a questionnaire aims to assess the impact of brands on customer purchasing intentions.

- The sample size consists of 100 respondents.
- Convenience sampling method is employed.

The questionnaire includes sections on respondents' demographic details, such as gender and preferred clothing brand. It also covers aspects related to brand equity, including brand awareness, perceived quality, brand associations, and brand loyalty. A customer's behaviour may vary, depending on the outcome of their learning and evaluation process, resulting in either positive or negative behaviour.

## 6. Effect of branding on consumer behaviour

The guardian's attitude can vary between positive and negative, influenced by their learning and comparison process. Conducting advertising research can help gauge customer behaviour towards brands. A strong positive attitude towards brands can lead to significant growth and advancement in an organization's financial performance. However, there may be hindering factors to consider. The questionnaire is designed based on demographic information of the respondents, including their gender, preferred clothing brand, and aspects related to brand equity such as brand awareness, perception, and loyalty. There are four key aspects of brand equity that are of interest: customer attitude towards the brand can be either positive or negative. It is important to stay updated with current techniques emerging from the system. One challenge is that the customer is not just a consumer but also a product of the system.

## 7. Result and Analysis

### Gender Diversity

Out of 112 valid respondents 66% of total i.e. 74 are found to be males and rest 34% i.e. 38 are found to be females who actively participated as a respondent of questionnaire

### Age Diversity

Out of 112 valid respondents 18 respondents were less than 20 years of age, 51 were between 20-29, 37 were between 30-40 and 6 were more than 40.

### Occupation Diversity

Out of 112 valid respondents 31 were found to be students, 47 were working professionals working in various industry, 28 were self-employed and 6 were unknown out of which 2 were house-wives.

### Income Diversity

Out of 112 valid respondents 28 were earning less than Rs 15000, 46 were earning between Rs 15000-29999, 26 were earning between Rs 30000-49999, 9 were earning between Rs 50000-75000 and rest 3 were earning more than Rs 75000.

### Often Buying Branded Product

Out of 112 valid respondent 9 likes to buy brands once a week ,15 try to buy once every 2 to 3 weeks,18 is those who like to buy once a month,28 choose to buy once 2 to 3 months and at last 42 respondent are who never buy brands because of various reasons.

### Branding

1. I consider myself to be a loyal customer to the brand.

From the data, it appears that a majority of customers (in this case, those who responded neutrally, disagreed, or strongly disagreed) might not perceive themselves as strongly brand loyal. However, there's still a considerable portion of customers who do agree or strongly agree with being brand loyal.

2. I think brand name influence purchasing decision

The table appears to represent data on the influence of brand names on purchasing decisions, similar to the previous table. Here's a concise interpretation: From this data, it seems that while a portion of respondents perceive brand names as influential in their purchasing decisions (those who strongly agree or agree), a significant number are neutral or disagree with this idea.

### 3. I think brand family members influence purchasing decision

The question likely represents data on the influence of brand family members (such as relatives or friends) on purchasing decisions. Here's a brief interpretation: From this data, it appears that a significant portion of respondents perceive the influence of brand family members on their purchasing decisions, particularly those who strongly agree. However, there's also a considerable number who are neutral or disagree with this notion.

### 4. I think branded products are better than unbranded products

Here's a concise interpretation of the provided data

From the data, it appears that a majority of respondents, particularly those who strongly agree, perceive branded products as superior to unbranded ones. However, there's still a significant portion who are neutral or disagree with this notion.

### 5. I think logos and symbols are easy way to recognize a brand

Here's a concise interpretation of the provided data:

From the data, it's evident that a significant majority of respondents, particularly those who strongly agree, believe that logos and symbols serve as an easy method to recognize a brand. A minority of respondents hold a contrary view on this matter.

## Perceived Quality

### 1. I think product features influence purchasing decision

Here's a brief interpretation of the provided data:

From the data, it's clear that a vast majority of respondents, particularly those who strongly agree, believe that product features play a significant role in influencing their purchasing decisions. There are no respondents who disagree or strongly disagree with this notion.

### 2. I think branded products are more reliable and long lasting

Here's a concise interpretation of the provided data:

From the data, it appears that opinions are divided regarding whether branded products are more reliable and long-lasting. While there is a significant portion of respondents who strongly agree, there is an equally large portion who disagree, along with some who are neutral on the matter.

## Purchasing Power

### 1. I think price influence purchasing decision

Here's a brief interpretation of the provided data:

From the data, it's evident that a significant majority of respondents, particularly those who strongly agree, believe that price plays a crucial role in influencing their purchasing decisions. While there are some who are neutral or disagree with this notion, the majority perceive price as a significant factor.

## 2. I am inclined to spend more on a branded product rather than savings

Here's a concise interpretation of the provided data:

From the data, it's evident that the majority of respondents, particularly those who disagree or strongly disagree, are not inclined to spend more on a branded product rather than saving money. There is a smaller proportion who agree or strongly agree with this notion, while some remain neutral.

## Marketing

### 1. I think brand packaging influence purchasing decision

Here's a concise interpretation of the provided data:

From the data, it's evident that a majority of respondents, particularly those who strongly agree, believe that brand packaging plays a significant role in influencing their purchasing decisions. While there are some who disagree or are neutral on this notion, there is no significant portion strongly disagreeing with the idea that brand packaging influences purchasing decisions.

### 2. I think peer group influence purchasing decision

Here's a brief interpretation of the provided data:

From the data, it appears that a significant portion of respondents, particularly those who strongly agree, believe that their peer group has an influence on their purchasing decisions. However, there are also respondents who are neutral or disagree with this idea.

### 3. I prefer brand switching if I get some promotional scheme

Here's a concise interpretation of the provided data:

From the data, it seems that a majority of respondents, particularly those who strongly agree, are inclined to switch brands if they are offered promotional schemes. However, there are also respondents who disagree or are neutral on this matter, indicating varied preferences among the surveyed group.

### 4. I think celebrity endorsement motivates me to purchase brand

Here's a concise interpretation of the provided data:

From the data, it's evident that a significant majority of respondents, particularly those who strongly agree, believe that celebrity endorsements play a motivating role in their brand purchasing decisions. While there are some who disagree or are neutral on this matter, there is no significant portion strongly disagreeing with the idea that celebrity endorsements influence brand purchases.

### 5. I think visual ads are effective promotional tool.

Here's a concise interpretation of the provided data:

From the data, it's evident that a vast majority of respondents, particularly those who strongly agree, believe that visual ads are highly effective as a promotional tool. There are also some who agree or are neutral on this matter, while no respondents disagree or strongly disagree with the effectiveness of visual ads.

## Customer Loyalty

### 1. I think branded products give me satisfaction

Here's a concise interpretation of the provided data:

From the data, it appears that there is a mixed perception regarding whether branded products provide satisfaction. While a portion of respondents agree or strongly agree with this statement, there is also a considerable number who disagree or strongly disagree. Additionally, there are respondents who remain neutral on the matter.



## Customer Purchase Behaviour

1. I prefer purchase products with warranty instead of without warranty

Here's a brief interpretation of the provided data:

From the data, it's evident that a vast majority of respondents strongly prefer purchasing products with a warranty, indicating the importance of warranty coverage in their purchasing decisions. There are also some respondents who agree with this preference, while a very small portion remain neutral on the matter. No respondents disagree with or strongly disagree with this preference.

2. I prefer to buy from most outlet which offers more discount

Here's a concise interpretation of the provided data:

From the data, it's evident that a majority of respondents, particularly those who strongly agree, prefer to purchase from outlets that provide more discounts. While there are some who disagree or are neutral on this preference, the majority are inclined towards outlets offering discounts.

3. I prefer to buy products with better advertisement

Here's a brief interpretation of the provided data:

From the data, it's apparent that opinions are divided regarding whether advertisement quality influences purchasing decisions. While there are respondents who agree or strongly agree with this preference, there are an equal number who disagree or strongly disagree. Additionally, there are respondents who remain neutral on the matter.

## 8. Conclusion

After conducting an in-depth analysis of both secondary sources and the results obtained from primary research, several key conclusions have emerged from this project. Firstly, it has been highlighted that consumers should not solely rely on branded products, as quality and cost-effective alternatives often exist. Creativity and innovation are not exclusive to branded products; non-branded items can also offer unique and innovative features. Marketers need to adapt their organizational structures and strategies to swiftly introduce innovations in marketing programs for non-branded products to increase consumer awareness. Direct marketing strategies can be effectively utilized for promoting non-branded products. Additionally, it is recommended to analyse a larger sample size through questionnaires, provided time and budget constraints allow. Exploring other demographic groups, such as the working class, may yield different insights compared to the current sample. The success or failure of a brand can be attributed to various factors, including packaging, branding, product quality, and understanding consumer needs. The convenience-price ratio is crucial, as customers assess the value proposition when considering new products. Moreover, the initial pricing strategy significantly impacts the success of a new brand, as consumers seek clear benefits and value for their money.

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