

BRAND EQUITY AND BRAND LOYALTY - “CUSTOMERS PERCEPTION TOWARDS BRAND IN THE PRESENT PANDEMIC”

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Abstract:

To demonstrate brand loyalty is a key challenge in the market. The present study help us in knowing the perception of people towards brand. The study involves samples of customers nearby Ambala Cantt. The result suggests that how customers being loyal towards their brands during pandemic. In order to accomplish the objective the sample of 50 people were taken to know the perception of a random customer related to the brand.

Purpose of the study:

The main focus is on customers who buy branded products and how the customers react towards various aspects of branded product i.e., cost, quality, goodwill, promotion, access, service, etc... The focus is also to check how these aspects leads to brand equity and brand loyalty during pandemic.

Introduction:

The foundations of establishing a brand remain the same, but the "how" has changed dramatically. Finding concentration in a world of instability will be considerably more difficult. The world has recently experienced one of the most momentous crises of this century – the Covid-19 epidemic — and many companies are still dealing with a slew of unknowns, necessitating the development of new strategies. The **American Marketing Association** defines a **brand** as “A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. Brand equity is a marketing term that describes a brand's value. That value is determined by consumer perception of and experiences with the brand. If people think highly of a brand, it has

positive brand equity. When a brand consistently under-delivers and disappoints to the point where people avoid it, it has negative brand equity. Brand equity develops with awareness, recognition, trial, preference and loyalty. Brand loyalty is the tendency of consumers to continuously purchase one brand's products over another.

The relationship of customers towards brand is what leads to brand marketing. The kind of brand attitude is necessary in potential customers. Building brand loyalty requires investments in marketing programs that target current and potential customers. For marketers, whatever their companies' marketing strategies are, the main purpose of their marketing activities is to influence consumers' perception and attitude toward a brand, establish the brand image in consumers' mind, and stimulate consumers' actual purchasing behaviour of the brand, therefore increasing sales, maximizing the market share and developing brand equity.

Objective of the study:

- 1) The main objective is to examine the behaviour of people towards brand.
- 2) To know what are the aspects which leads to customer retention towards particular brand.
- 3) To know brand image plays an important role in brand equity.

Literature Review:

- 1) According to Aaker (1991), brand equity is determined by four dimensions, including perceived quality, brand awareness, brand associations, and brand image. Brand loyalty has been considered as a separated construct that could affect other dimensions. Aaker (1991) defines this as the attachment of a consumer towards a brand even when an organization makes changes in the price or other features.
- 2) Raimondo et al. (2008) argued that customer satisfaction and trust are two by far the most studied determinants of customer loyalty.
- 3) Rios and Riquelme (2008) validated that trust is positively related to loyalty. Panyachokchi (2013) confirmed that trust, in terms of benevolence and credibility could directly impact on brand loyalty.

- 4) Mizik and Jacobson (2008) asserts that “mere assessment of brand attributes is insufficient”, because customer-based attributes must be linked to the financial value of the brand.

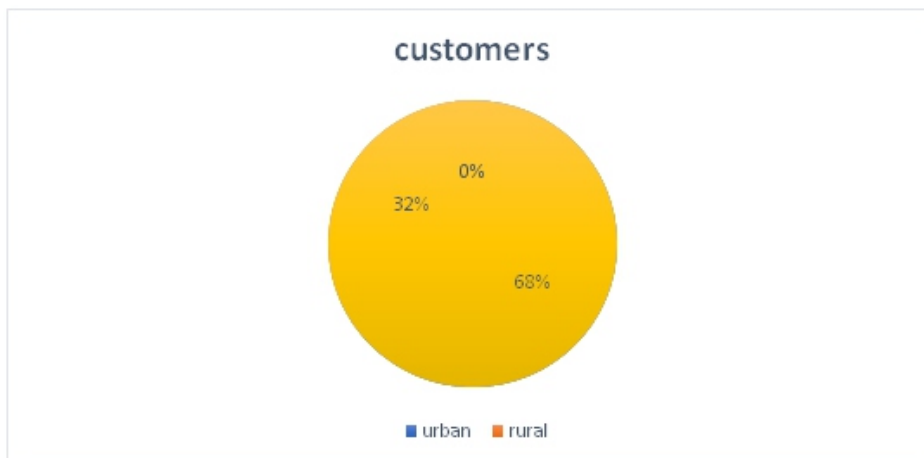
Research Methodology:

- Data Type- Primary Data
- Data Collection Tools- Structured questionnaire
- Types of Sampling- convenience sampling

In convenience sampling, the researcher takes information through his convenient accessibility and proximity. The researcher conducts his data analysis from non-probability technique.

Explanation:

The area plays an important role in brand marketing there are:

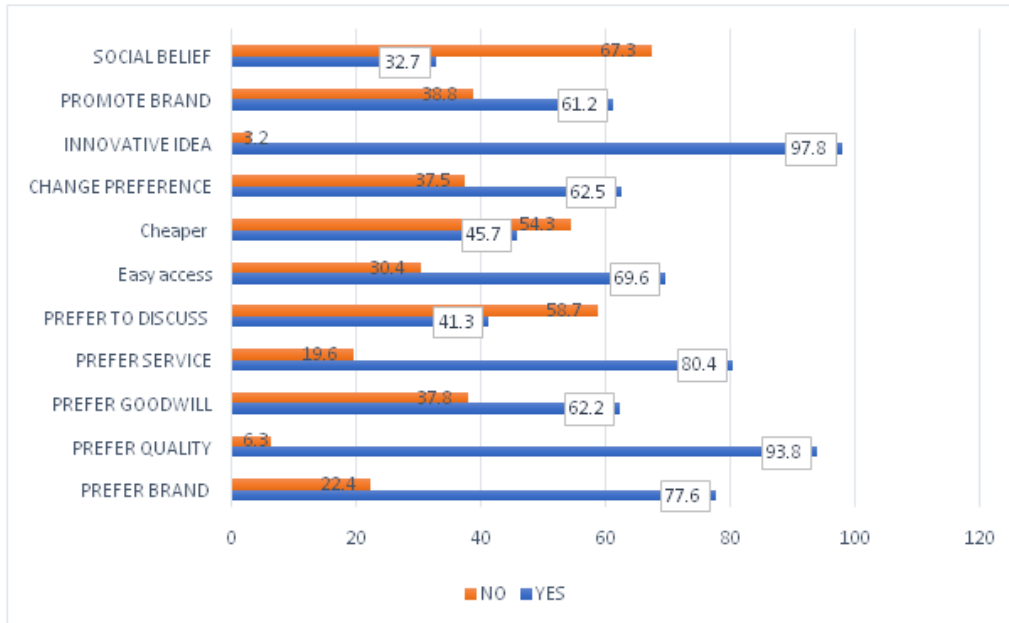


From data collected 32% rural customers 7% people buy branded products.

From data collected 68% urban customers 54% people buy branded products.

From the above people who buy branded products 56.6% people stick to a particular brand for more than 5 years, which leads to brand loyalty

The people are asked to fill the questionnaire and these are the results of 50 people:



- 1.) **Customers who follow social belief in their brand:** 32.7% people follow social belief, Sometimes people prefer to buy the same brand again and again because it leads to some social belief. Consumer expects that brands will help in solving societal problems.
- 2.) **Customers who promote their favourite brands:** 61.2% people promote their favourite brand which leads to brand equity. Customers are loyal towards their brand that's why they promote brands.
- 3.) **Customers like their favourite brand's innovative ideas and designing:** 97.8% people like innovative idea of brands .In today's competitive market firms has to adopt attractive designing and innovative ideas to retain the customers.
- 4.) **Customers can change their preferences:** when new competitors enters into market and offers value goods to the customers at reduced pricesthere are chances of customers to change their preference and they are likely to shift from one brand to another that is why 62.5% people will change their preferences if they get better alternative. Competition gives a wide scope for customers to change their taste and preferences according to their choices.

- 5.) **Reasonable price:** People spend according to their pockets so, loyalty is secondary to these kind of customers, that's why 45.7% customers feel that they buy branded product because these brands offers them goods according to their desires at reasonable price.
- 6.) **Easy access:** 69.6% customers buy products because of convenience. In this busy world customers buy products from the places easily available to them.
- 7.) **Prefer to discuss:** 41.3% people like to discuss about their favourite brands. This also leads to brand equity and loyalty.
- 8.) **Prefer service:** Service can be in many forms feedback, after service, guarantee and warranty etc.As data obtained maximum customers i.e., 80.4% purchase branded goods / services because of value services provided by the brand to their customers.
- 9.) **Prefer goodwill:** Many people prefer goodwill of the brand over price because they believe that the brand which maintains goodwill will offer high quality goods so, people are not bothered about the prices but they are concerned with the value goods, 62.2% people prefer goodwill because business under the limelight for the right reasons will attract goodwill for itself.
- 10.) **Prefer quality:** It means that marketers has to focus more on quality for retention of customers. Many customers i.e., 93.8 % believes that quality offered by the product is more precious and valuable to them rather than price / value of the product.

Conclusion:

According to the data collected the conclusion drawn is that the brand loyalty plays an important role in creating brand equity .From the survey conducted it can be drawn that retained customers feel loyal towards the brand if they get easy access, convenience, goodwill, quality, service, reasonable price ,innovative idea and designing . So, to retain the customers to make brand loyalty it is important to work on these aspect of marketing. It will also leads to brand equity. To further understand the nature and direction of this relationship, a quantitative influence of brand age on consumer value creation is recommended. It's also possible to look into how customer behaviour during the Pandemic and after Covid -19 affects value in this case.

Limitations:

- 1.) The study doesnot taken in account the salary of customers.
- 2.) The study includes small sample size.

References:

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