ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 2, Issue 3, pp: (14-19), Month: July 2014 - September 2014, Available at: www.researchpublish.com

# Emergence of Brand Preference in Current Scenario

Hemlata Sharma

Assistant professor, Department Of Commerce,
GDC Memorial College.

*Abstract:* **In this study author provide a conceptual frame work and investigation regarding the role of brand in the current scenario and the preference among the customers towards it. Industry's external environment, including globalization and deregulations has made the companies highly competitive. Companies find it difficult to compete on price and need to look at other ways to retain customers. A Brand identity comprises a unique set of functional and mental associations that the brand aspires to create or maintain. The main aim of the article is to identify the brand utility and brand preference as a level for the customers' satisfaction and the factors that determine the phenomena. Further the paper provides a constructive suggestion for stimulating brand and its relevance in emerging market. Brand as a way of inducing the prospective customer for purchasing.**

***Keywords*: brand, consumer loyalty and brand utility.**

## I. INTRODUCTION

The global orientation of businesses, in the context of the emergence of the "postmodern" era of marketing for brands has necessitated customer focus. The emphasis is towards the emergence of the concept of "customization". The task of brand managers, here is to translate the business strategy into a brand expression. Understanding which lenses affect the consumer perception of a particular type of brand helps brand management to determine the brand's potential among consumers in a particular market. Market maturity is forcing firms to gain a greater customer orientation to retain customers in the home markets and to attract them in emerging markets. It empowers them with choice. It ensures that they keep getting the better end of the bargain. What may be called the brand battle ground is actually brands competing for more shares in the customer mind. And, mastering the art of building the relationship with the customer is at the heart of any successful business strategy. The core concept in marketing has always been that of transaction, whereby an exchange of values takes place. However, in parallel with changes in cultures, lifestyles, and technologies, the emphasis in marketing has shifted from individual transactions: the new focus is on establishing long-term relationships. Marketing and branding are inextricably linked. To meet demand and facilitate transaction, the objectives that a good brand achieves are to deliver the message clearly, confirm credibility, connect emotionally to the targeted prospects, motivate the end users, and concretize user loyalty. Having a strong brand is invaluable as competition intensifies.

Brand management- that is, the art of creating and maintaining a brand—now requires that the whole organization support its brand with integrated marketing. Stronger the brand, the greater the loyalty of the end users. One underlying attribute of brand management is the ability to react to changes in societal and market dynamics to communicate the brand message better. Key variables affecting brand management are changes in business environments (market complexities, competitive pressures, and global forces), information processes, and societal forces (Huber 1984; Aaker 2000). Consumers need to be able to relate a product or specific brand to the parent organization supporting it. This can be achieved through appropriate brand management. By definition, a brand is a name, term, sign, symbol, association, trademark or design which is intended to identify the products or services of one provider or group of providers, and to differentiate them from those of competitors. A brand has functional and emotional elements which create a relationship between customers and the product or service.

While brands and branding have been with us, in one form or another, since the dawn of the commercial enterprise, it is only within the past 20 years or so that organizations have shown so much interest and perceived value in their brands. While brands historically have been within the purview of manufacturers, today all levels of distributors, intellectual property holders, value-adding organizations, and the like, are attempting to apply branding principles to distinguish themselves from competitors. Thus, brands and branding have taken on broad new meanings in the emerging interactive information age that we are entering. Never before has so much emphasis been placed on the contributions of the brand in establishing and maintaining a competitive advantage. In this context, there arises a need to build brand awareness. Brand awareness is measured as the proportion of target customers which have prior knowledge of the brand. It is measured by two distinct measures; brand recognition and brand recall.

These associations represent what the brand should ideally stand for, in the minds of customers, and imply a potential promise to customers. It is important to keep in mind that the brand identity refers to the strategic goal for a brand while the brand image is what currently resides in the minds of consumers. A corporate brand tries to establish a coherent perception of the company for its different stakeholders and reflects a good corporate reputation in the eyes of the general public (Hatch and Schultz, 2003). Nevertheless, the single most important public of a corporate brand is its end consumers, who are drowning in the overwhelming abundance of brands and brand communication.

Brand-The ultimate success symbol

In today's business lexicon, the word 'brand' is being used most heavily. (Miller & Muir,2004) Geoffrey Randall, has mentioned in the very beginning of his book, 'The Art of Marketing – Branding' that 'No one ever got fired for buying IBM' (Randall, 2001). A brand can create value for a business, by enhancing business performance and providing a source of competitive advantage. But what exactly does this 'brand' mean? We take our starting point with the definitions of a brand as given by various authors. David Ogilvy described a brand as 'the intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it is advertised' (Randall, 2001).

**Objectives:**

The objectives of this study are:

- To have an overview of branding in India.
- To show the current scenario of branding in India.
- To diagnose the literature regarding the existence of brand preference in the current scenario.

## II. RESEARCH METHODOLOGY

The present study is descriptive in nature. The data used for the study is secondary in nature and has been collected from various websites, reputed journals, books and magazines related to FDI flows, reports and publications of various associations connected with business and industry, agencies and Government. The main focus of the study is on the branding and brand preference among customers.

**Meaning and dimensions of brand:**

The tangibles (rational), and the intangibles (emotional and symbolic). Either way, while the product performs its basic functions, the brand contributes to the differentiation of a product (Keller, 2003). These dimensions "distinguish a brand from its unbranded commodity counterpart and gives it equity which is the sum total of consumers' perceptions and feelings about the product's attributes and how they perform, about the brand name and what it stands for, and about the company associated with the brand" (Achenaum, 1993). A strong brand provides consumers multiple access points towards the brand by attracting them through both functional and emotional attributes (Keller, 2003). The tangible dimensions that a brand creates are product innovations, high qualities, and/or attractive prices etc. Those are often observable from the product's marketing mix and product performance (Keller, 2003).

The intangible values of a brand will include those that cannot be quantified. These intangibles go beyond the product level to become a synaptic process in the brain. In other words, consumers will be able to respond to this particular brand without the presence of the product (Bedbury, 2002). More importantly, an intimate rapport may be developed between the consumers and their brands (Roberts, 2004; Fournier, 1998; Muniz and Schau, 2005).

## III. BRANDING AND PERSPECTIVE OF CONSUMERS

The attributes of a branded product add value for consumers, the intermediaries, and the manufacturers. The most significant contribution of a strong brand to consumers would be the reduced searching time and cost when they are confronted with a set of identical products. It helps consumers to identify and locate a product with less information processing and decision time because of the expected quality from accumulated brand knowledge (Pelsmacker et al., 2004). Consumers will be able to develop associations and assumptions through brand name, package, label etc. A strong brand also offers high brand credibility: it becomes a signal of the product quality and performance. This reduces the risks involved in the purchase including the functional, physical, financial, social, psychological, and time risks (Swait and Erdem, 2004 ; Keller, 2003). Consumers do not only benefit from the functional values of a brand, they also benefit from the emotional aspects. A strong brand mixes and blends the product performance and imagery to create a rich, deep, and complementary set of consumer responses towards the brand (Zamardino and Goodfellow, 2007). Hence consumers are attracted to more dimensions of a brand and will be more likely to effectively bond with the brand. Consumers also use the brand as a means of self image reflection, symbolic status, and an anchor in this forever changing world. Finally, a brand smoothes consumers' communication process to others and enrich their everyday lives (Holt, 2004; Keller 2003; Fournier, 1998). In terms of the branding benefits to intermediaries such as retailers and wholesalers, a strong brand with high brand recognition and brand awareness speeds up the stock turnover rate, lowers the selling cost, and leads to higher sales. Consumers will also be more inclined to (re)purchase in their stores and spread word of mouth to others. These in turn facilitate the instore activities related to the selling of the products with the brand. On the other hand, a strong brand also implies that the manufacturer supplying the products will be more committed to the in-store promotions (Webster, 2000). For manufacturers, a strong brand is a valuable asset to the company. A well recognized brand serves as a signal, and it increases the likelihood for consumers to place the product in their consideration or choice set (Swait and Erdem, 2004). Manufacturers will also win a reputable name through consumers' positive attitudes and evaluation towards the brand. As discussed previously, manufacturers with strong brands are more committed to their retailers, and the retailers will in return invest more effort and resource in maintaining the relationship. Therefore, a strong brand leads to mutual trust and commitment, and fosters the manufacturer-retailer relationship (Morgan and Hunt, 1994). Sometimes, the manufacturers may even gain greater bargaining power over their retailers, and are presented with more distribution channels (Pelsmacker et al., 2004). Furthermore, a price premium can be imposed on a strong brand because of the brand's perceived higher quality over the competitors' brands (Keller, 2003). A unique product positioning can be created by a strong brand, which may act as an entry barrier, such as the retention of intellectual property rights, patents, or trademarks etc (Keller, 2003). This entry barrier can also be established through consumer's repurchase behavior, because it enhances the sales forecast predictability and secures the demand (Keller, 2003). Moreover, because of these loyal customers (i.e. implying higher customer retention rate), a company will find it easier to extend its brand, and lower its marketing costs. Several studies have proved that a higher customer retention rate will enhance a firm's financial performance and lead to a higher shareholder value (Srivastava, et al. 1998; Anderson et al. 2004). A strong brand also affects a company's financial bottom line directly in case of a merger or acquisition, because buyers are usually required to pay an extra cost over the fair value of the firm. This results in a positive goodwill (i.e. intangible asset) which will be booked on the balance sheets (Elliot and Elliot, 2007).

## IV. RESEARCHES ON BRAND FROM DIFFERENT ASPECTS

Researches indicated that brand associations of the product can be stored in consumer's minds after brand awareness of the product is already in their memory. (Krishnan, 1996) identifies three different perspectives of the examination of brand equity: (1) practical (Owen, 1993), (2) strategic (Aaker, 1991, 1996; Kapferer, 1998), and theoretical perspectives (Keller, 1993, 1998). Apart from that, (Feldwick, 1996) identifies three different approaches to brand equity: (1) the brand description approach (Leuthesser, 1988; Winters, 1991), (2) brand strength (Keller, 1993, 1998; Srivastava and Shocker, 1991; Yoo, Donthu, and Lee, 2000) and (3) brand value (Farquhar, Han, and Ijiri, 1991; Kapferer, 1998; Seetharaman, Nadzir, and Gunalan, 2001; Simon and Sullivan, 1993). There are also many different methods to measure brand equity. For example, (Sattler, 1994) analysed 49 studies related to brand equity and identified 26 different methods of brand equity measurement.

Jyoti Indupratap Yadav(2013**)**, brands function as valuable marks of trust, superior quality, positive equity associations and differentiating values. The study throws light on various features that the manufacturers should concentrate on to attract the prospective buyers. The purpose of this research is to investigate how the women's are influenced by various factors of brand preference and brand awareness towards footwear brands. In this research paper, brand awareness of women respondents and the factors influencing on brand preference i.e. Popularity, Brand Name, Brand Image, Current Trends and Availability, warranty, prestige were studied. Convenience sampling method was applied and Questionnaires were distributed to 228 women respondents belonging to twin cities of Sangli city i.e. Sangli and Miraj. Percentage analysis, Chi-Square Test and Garret's ranking techniques were used to obtain the factors that influenced respondents' brand preference and brand satisfaction. A Socio-Economic variable has strong significant relationship with the selection of a footwear brand but no significant relationship with advertisement influence to prefer a footwear brand except Income of women. The income of women respondents has significant relationship with advertisement influence to prefer a footwear brand.

## V. SUGGESTION AND IMPLICATION

Quality control operation should be modernized effectively as people are more aware and more educated and give preference to the branded products. Mass media creating the awareness regarding the utility of the brand of the particular product. Brand name should be easy to pronounce, spell and remember. It should be short as well.

## REFERENCES

[1] Aaker, D. J. & Joachimsthaler, E.A. (2000), The brand relationship spectrum: the key to the brand architecture challenge. California Management Review, 42, 8-23.

[2] Aaker, D. J. (1996), Building strong brands. New York, The Free Press.

[3] Aaker, D.A. (1991), Managing Brand Equity: Capitalizing on the Value of a Brand Name, The Free Press, New York.

[4] Aaker, D.A. (1992), "The value of brand equity", Journal of Business Strategy, Vol. 13 No. 4, pp. 27-33.

[5] Aaker, D.A. (1996), "Measuring brand equity: across products and markets", California Management Review, Vol. 38 No. 3, pp. 102-20.

[6] Aaker, D.A. (1996), Building Strong Brands, The Free Press, New York, NY.

[7] Aaker, J.L. (1997), "Dimensions of brand personality", Journal of Marketing Research, Vol. 36 No. 3, pp. 345-55.

[8] Aaker, J.L. (1997). Dimensions of brand personality, Journal of Marketing Research, Vol. 34, pp. 347 – 356.

[9] Aaker, J.L., Benet-Martinez, V. and Garolera, J. (2001), "Consumption symbols as carriers of culture: a study of Japanese and Spanish brand personality constructs", Journal of Personality and Social Psychology, Vol. 81 No. 3, pp. 492-508.

[10] Achenbaum, A . A . ( 1993 ) ' The mismanagement of brand equity ' , in ' ARF Advertising Research, 16:19-24.

[11] Agarwal, M. K., & Rao, V. R. (1996), "An empirical comparison of consumer based measures of brand equity". Marketing Letters, 7(3), 237–247.

[12] Alba, Joseph W. and J. Wesley Hutchinson (1987), "Dimensions of Consumer Expertise," Journal of Consumer Research, 13 (March), 411–38.

[13] Anderson, E. W., C. Fornell, et al. (2004). "Customer Satisfaction and Shareholder Value." Journal of Marketing 68(4): 172-185.

[14] Anderson, John R. (1983), "A spreading activation theory of memory," Journal of Verbal Learning and Verbal Behavior, 22, 261-295.

[15] Anderson, P., (2007), "What is web 2.0, ideas, technology and trends for education", JISC Technology and standards watch.

[16] Atilgan, Eda et al, (2005), "Determinants of brand equity", Marketing intelligence and planning. 23.

[17] Balmer, J. M. T. (1995), Corporate Branding and Connoisseurship. Journal of General Management, Vol. 21, No.1, Autumn 1995, 24-46.

[18] Balmer, J.M.T. (2001), “Corporate Identity, Corporate Branding and Corporate Marketing: Seeing Through the Fog”, European Journal of Marketing: Special Edition on Corporate Identity and Corporate Marketing, Vol 35, No. 3 and 4, pp 248-291.

[19] Balmer, J.M.T. and Greyser, S.A. (2003), (Eds). Revealing the corporation: Perspectives on Identity, Image, Reputation, Corporate Branding and Corporate-Level Marketing, Routledge, London.

[20] Bartel-Sheehan, K. and Doherty, C. (2001), “Re-weaving the web: integrating print and online communications”, Journal of Interactive Marketing, Vol. 15, pp. 47-51.

[21] Bedbury, S. (2003). A New Brand World, Penguin Books.

[22] Belk, R. (1988), “Possession and the extended self”, Journal of Consumer Research, Vol. 15, pp. 15-139-168.

[23] Berry, Michael, J. A, Linoff, Gordon S., “Why and What is datamining”, Datamining Techniques, Second Edition, Wiley Publications, Pg 7, 2007.

[24] Biel, A.L. (1992), “How brand image drives brand equity”, Journal of Advertising Research, Vol. 32 No. 6, pp. 6-12.

[25] Birkigt, K. and M. M. Stadler (1986), Corporate Identity, Grundlagen, Funktionen un Beispielen, Verlag Moderne Industrie, Landsberg an Lech.

[26] Blackstone, M. (1990), “Price trade-offs as a measure of brand value”, Journal of Advertising Research, Vol. 30, August/September, pp. RC3-RC6.

[27] Boivin, Y. (1986), “A free response approach to the measurement of brand perceptions”, International Journal of Research in Marketing, Vol. 3, No. 1, pp. 11-17.

[28] Bolton, M. (2004), “Customer centric business processing”, International Journal of Productivity and Performance Management, Vol. 53 No. 1, pp. 44-51.

[29] Bouten, L.M., Snelders, H.J. and Hultink, H.L.J. (2006), “A chip off two old blocks: the influence of fit on evaluation of a cobranded product”, Proceedings of the European Marketing Academy Conference (EMAC), Athens.

[30] Branscombe, NR.., Wann DL. (1991), The positive social and self-concept consequences of sports team identification. J Sport Soc Issues 1991; 15(2):115–27.

[31] Brucks, Merrie (1985), "The Effects of Product Class Knowledge on Information Search Behavior," Journal of Consumer Research, 12 (June), 1 -16. References 294 Ph.D. Thesis

[32] Burmann, C., Schaefer, K. and Maloney, P. (2008), “Industry image: its impact on the brand image of potential employees”, Journal of Brand Management, Vol. 16 No. 3, pp. 159-76.

[33] Buttle, F., (2001). “The CRM Value Chain,” Marketing Business, (February), 52–55, Retrieved January 25, 2009 from www.wtcbrescia.it/upload/0 FButtleCRMvalchain.pdf.

[34] C. Whan Park, Lawrence Feick, David L. Mothersbaugh (1992), "Consumer knowledge assessment: how product experience and knowledge of brands, attributes, and features affects what we think we know", in Advances in Consumer Research Volume 19, eds. John F. Sherry, Jr. and Brian Sternthal, Provo, UT : Association for Consumer Research, Pages: 193-198.

[35] Chaiken, Shelley, Akiva Liberman and Alice H. Eagly (1989), "Heuristic and Systematic Information Processing Within and Beyond the Persuasion Context," in Unintended Thought, J.S. Uleman & J.A. Bargh (eds.), NY: Guilford Press, 212-252.

[36] Clark, Kevin A.; (2004), Brandscendence: Three Essential Elements of Enduring Brands,Dearborn Trade Publishing, Dearborn..

[37] Collins, Allan M. and Loftus, Elizabeth R. (1975), "A spreading-activation theory of semantic processing," Psychological Review 82(6), 407-428.

[38] Dalrymple, D. J., & Parsons, L. J. (2000), Marketing Management: text and cases (7thed.). NY: John Wiely & Sons.

[39] Delgado, E. and Herna´ndez, M. (2008), "Building online brands through brand alliances in Internet", European Journal of Marketing, Vol. 42 Nos 9/10, pp. 954-76.

[40] Doyle, P. (1990), "Building successful brands: the strategic options", Journal of Consumer Marketing, Vol. 7 No. 2, pp. 5-20.

[41] Durgee, J. and Stuart, R. (1987), "Advertising symbols and brand names that best represent key product meanings", Journal of Consumer Marketing, Vol. 4, No. 3, pp. 15-24.

[42] Dwyer, P., (2007), "Building trust with Corporate Blogs", International conference on Weblogs and Social Media.