Major Research Project

A Study on How does Branding affects Consumer Behaviour

Submitted By Kaavya Satsangi 2K21/DMBA/58

Under the Guidance of Mr. Dhiraj Kumar Pal Assistant Professor



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CERTIFICATE

This is to certify that Kaavya Satsangi, roll number 2K21/DMBA/58, has successfully completed the project titled **"A Study on How does Branding affects Consumer Behaviour"** under the guidance of Mr Dhiraj Kumar Pal as a part of Master of Business Administration (MBA) curriculum of Delhi School of Management, Delhi Technological University, New Delhi during the academic year 2022-23.

Dr. Archana Singh Associate Professor Head of Department (DSM, DTU) **Mr. Dhiraj Kumar Pal** Assistant Professor (DSM, DTU)

DECLARATION

I solemnly declare that the project dissertation report titled "A Study on How does Branding affects Consumer Behaviour", submitted to Delhi School of Management, DTU is based on my original work under the guidance of my mentor Dr. Dhiraj Kumar Pal, Assistant Professor, Delhi School of Management, DTU, and submitted in partial fulfillment of the requirement for the award of the degree of Master of Business Administration.

I further certify that the work contained in this report has not been submitted to any other institution for the award of any degree.

Kaavya Satsangi 2K21/DMBA/58

ACKNOWLEDGEMENT

It gives me great pleasure to acknowledge the assistance and constant support I received throughout my research work. I express my utmost gratitude to my faculty advisor, Mr. Dhiraj Kumar Pal, who guided and mentored me throughout my research journey on the topic "A Study on How does Branding affects Consumer Behaviour" and helped me complete the project properly. Working on the project provided me with an invaluable opportunity to explore the area of masstige marketing.

I would also like to express my heartfelt gratitude to the faculties of Delhi School of Management, Delhi Technological University for providing me the opportunity and assisting me with their expertise on this project. It has been an enriching experience for me to interact with them over the course of this research and will undoubtedly contribute to my professional growth.

It has been my constant endeavor to ensure that the project is completed in the best possible manner and ensure that it is error-free.

Kaavya Satsangi 2K21/DMBA/58

EXECUTIVE SUMMARY

A brand is a promise of quality and plays an important part in the customer's thinking. It is a name or logo that signifies a specific level of quality and, once established in the mind of the client, becomes indelible. Branding is a strong marketing tactic that has shown to be beneficial in the past and can help all sorts of organisations when applied correctly. Brand mismanagement, on the other hand, may be disastrous. The purpose of this research is to look at the influence of branding on consumer behaviour, especially how much customers are prepared to pay for branded items and how much significance they place on price, brand, and other aspects when making purchase decisions. The study will contain a thorough literature analysis on branding, brand loyalty, awareness, equity, and reputation.

TABLE OF CONTENTS

CERTIFICATE

DECLARATION	ii
ACKNOWLEDGEMENT	iii
EXECUTIVE SUMMARY	iv
INTRODUCTION	1
1.1 Background	6
1.2 Problem Statement	7
1.3 Objectives of the Study	8
1.4 Scope of Study	8
LITERATURE REVIEW	10
RESEARCH METHODOLOGY	12
DATA INTERPRETATION AND ANALYSIS	13
CONCLUSION	20
LIMITATION	21
REFERENCES	23
PLAGIARISM REPORT	25

i

CHAPTER 1

INTRODUCTION

Branding is not a new notion, but it is now more vital than ever. Brands, like individuals, are created, fostered, and fed until they are strong and responsible enough to be people's trusted friends, building mutually beneficial and pleasant connections with them. Such brands make their parents proud, whether they are an organisation or a company. The finest brands are those that assist in the formation and maintenance of long-term "parent-brand-people" connections. These brands represent the potential for current and future growth, assisting organisations in conquering peaks during booms and staying afloat during downturns.

We come across countless brands in our everyday lives. We begin our day with toothpaste like Colgate, Pepsodent, or Close-up, bathing soap like Lux, Fairglow, or Cinthol, and shampoo like Clinic All Clear or Vatika. We wear Allen Solly, Levi's, and Raymond's clothing, and eat Britannia or Modern morning bread with Amul or Kissan butter or jam. We eat lunch and dinner with Nature Fresh or Pillsbury flour and Safal veggies. We consume tea and coffee from brands such as Tetley, Nescafe, and Bru in the morning and evening. We travel in automobiles such as the Hyundai Santro, Honda Accord, or Mercedes Benz, communicate on cell phones made by Motorola, Nokia, Siemens, or Samsung, and watch television in the evenings made by Sony.

But have you ever pondered what a corporation does to leave a favourable impression on customers' thoughts and compete for shelf space in the market? Today, practically all businesses are emphasising the importance of developing powerful brands. The notion of brand equity and its management has risen to prominence like never before. More and more businesses are focused on a few key brands.

This project is a timely examination of the significance of brands, what it takes to create them, the benefits they provide to various stakeholders such as organisations, distributors, and customers, how they can be leveraged, and the impact of modern technology on branding, branding on the web, and branding in mergers and acquisitions, among others.

Companies that want to construct a successful brand must invest in developing a strong brand identity. This involves establishing a logo, selecting brand colours, and developing a catchy catchphrase. The brand identity should be distinctive and recognisable, and it should reflect the firm's values and mission.



Fig.1

Source : The Logo Creative

Understanding the target audience is another important aspect of creating a successful brand. Companies must understand who their consumers are, what their requirements and preferences are, and how they may successfully address those demands. Companies may adapt their messaging and offers by analysing their target demographic.

Branding is a marketing practise that entails developing a name, symbol, design, or other attribute that identifies and differentiates a product or service from those of other firms. Branding helps to distinguish a product or service from its rivals by creating a distinct brand for it. It aids in the development of a relationship between the product or service and the customer, resulting in a loyal customer base and increased sales. Branding entails more than simply designing a name and logo; it also entails developing a personality, tone, and message that connects with customers. A brand is what people perceive it to be, not what the corporation claims it is. It is the emotional bond that customers have with the product or service.

The concept of branding has evolved throughout time. Branding was initially used to identify the owner of livestock and crops. The objective was to distinguish one owner's animals from another. Coca-Cola was the first firm to commercially use branding in the late 1800s. Coca-Cola used a different typography and colours to distinguish their bottles from those of competitors. Today, branding is an important aspect of marketing that is used by businesses across a wide range of industries.

The worth of branding is found in its ability to distinguish and recognise a product or service. A strong brand may command a higher price while conveying a feeling of quality and trustworthiness. Branding also encourages consumer loyalty and advocacy, which can result in greater sales.

Branding comprises a number of duties, including brand planning, identity, positioning, and administration.

Establishing the brand's purpose and values, defining the target market, and developing a brand promise that matches the target market's requirements and aspirations are all part of brand strategy. The brand strategy serves as a road map for all branding activities, ensuring consistency across all touchpoints.



Source: Laudco.com

The visual and sensory aspects that reflect the brand, such as the logo, colours, typography, packaging, and product design, are referred to as brand identity. The brand identity should be distinct and memorable, and it should express the personality and values of the company.

The perception of a brand in the marketplace in relation to its rivals is referred to as brand positioning. Brand positioning entails finding the brand's distinctive value proposition and successfully communicating it to the target market.

Brand management entails the continuing upkeep and growth of the brand. Monitoring brand performance, maintaining brand expansions and brand architecture, and protecting the brand through trademark registration and legal action are all part of it.

Another key notion in branding is brand equity. The value that a brand gives to a product or service is referred to as brand equity. It is the sum of all client views, experiences, and associations with the brand. A high brand equity may provide you a competitive edge and enhance your revenue.

Companies may employ a variety of branding tactics to build a great brand. Brand extension, which entails exploiting the brand name to promote additional products or services, is one of the most prevalent tactics. Brand extension may assist in

Fig 2

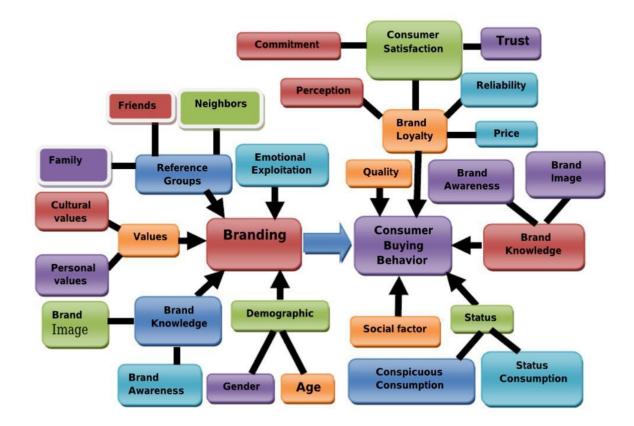
leveraging existing brand equity and lowering the expenses of launching a new product or service.

Another branding strategy is co-branding, which involves cooperating with another brand to create a new product or service. Co-branding may help to increase brand familiarity while also establishing a feeling of quality and dependability.

Rebranding is another branding technique that includes changing the brand name, logo, or other visual components. Rebranding may assist a brand in starting over and re-establishing itself in the market.

Finally, branding is a crucial aspect of marketing since it enables firms to create differentiation, recognition, and loyalty for their products or services. A strong brand may help you command a higher price, establish consumer loyalty, and gain a competitive advantage. Branding comprises a number of duties, including brand strategy, identity, and positioning.

Fig 3





Branding may be traced back to ancient societies, when marks or symbols were employed to indicate ownership or commodity quality. Pottery in ancient Egypt, for example, was engraved with hieroglyphs that identified the maker and the site of production. Ceramicists in ancient Greece signed their work, and goods in Rome bore creator marks.

Throughout the Middle Ages, artisans formed guilds to oversee the quality of their work and protect their interests. Guilds used symbols or insignia to identify membership, and the mark also served as a quality guarantee. These indications evolved over time into trademarks, which were used to safeguard the intellectual property of the makers.

The Industrial Revolution brought about mass production and the need for firms to differentiate their products from competition. In the late nineteenth and early twentieth centuries, businesses began to create brand names and logos to distinguish their products from competitors. Coca-Cola, for example, registered its trademark in 1886, while Michelin Man advertising debuted in 1900.

As businesses realised they could develop emotional ties with customers, branding became increasingly important in the early twentieth century. Procter & Gamble, which launched the Ivory soap brand in the 1890s, was among the first to notice this. Ivory soap was marketed as "pure and gentle" and was positioned as a high-quality, dependable product. This emotional connection with customers grew stronger.

In the 1920s and 1930s, advertising became an important aspect of branding. Companies started using radio and print advertising to reach out to clients and build emotional relationships with them. Lucky Strike cigarettes were one of the most successful advertising campaigns of the time, with the slogan "Reach for a Lucky instead of a sweet."The advertisement created an emotional connection with clients by depicting smoking as a method of weight control.

Branding became even more important when businesses began to use television advertising to reach customers in the 1950s and 1960s. Coca-Cola had one of the most successful advertising campaigns of the time, with the slogan "It's the Real Thing." The campaign created an emotional connection with clients via positioning.

Branding got increasingly complicated when firms began to employ market research to better understand their customers in the 1970s and 1980s. Companies such as Procter & Gamble and Coca-Cola began to design goods that were especially tailored to their target market's wants. For example, in the 1960s, Procter & Gamble launched the Pampers brand, which was particularly intended for diapers to meet the needs of moms with little infants.

Branding became even more important as firms began to use the internet to reach clients in the 1990s and 2000s. Companies like Amazon and eBay used their websites to foster emotional connections with their customers by offering customised

recommendations and easy interfaces. As companies like Coca-Cola and Nike began to embrace social media, it became more popular.

Today, branding is still an important aspect of marketing. Companies like Apple, Google, and Nike have become some of the most valuable brands in the world, and they continue to use branding to build emotional links with their customers. Branding is likely to develop in new and intriguing ways in the future when new technologies such as virtual reality and artificial intelligence emerge.

1.2 PROBLEM STATEMENT

Understanding how branding influences customer purchasing decisions is key to the problem statement of how branding influences consumer behaviour. Firms are investing significant amounts in building and promoting their brands in order to boost customer familiarity and loyalty. The purpose of branding is to differentiate a company's product or service from competitors and to build a positive image in the minds of customers.

The problem arises when organisations fail to understand the complex interplay between branding and customer behaviour. Although branding has the ability to impact consumers' attitudes and impressions of a specific product or service, it is not always evident how branding influences consumer behaviour. Understanding the link between branding and consumer behaviour is thus critical for developing effective marketing tactics that may favourably affect customers' purchasing decisions.

The investigation of the influence of branding on customer behaviour entails examining several elements such as brand awareness, brand image, brand loyalty, and brand association. These characteristics influence customers' views and attitudes towards a specific brand, which in turn influences their purchase decisions. As a result, the issue statement of how branding influences consumer behaviour necessitates a better understanding of these aspects and their effects on consumer behaviour in order to develop successful branding strategies that may favourably influence customers.

1.3 PROJECT OBJECTIVES

- To study how branding influences consumer behaviour in connection to a company's products.
- To examine contemporary branding literature in order to explain the essential principles, ideals, and applications of branding in modern marketing efforts.
- To understand the link between customer identities and perceived brand identities
- To understand consumer behaviour in different sectors

1.4 SCOPE OF THE STUDY

Due to time constraints, this project had limitations as it involved various complex variables that required extensive research over a longer period. Additionally, the scope of the study was limited to a small population, which may not provide a comprehensive understanding of the effects of branding on a larger scale. Furthermore, the reluctance of consumers to answer the questions posed may have impacted the accuracy of the responses.

CHAPTER 2

LITERATURE REVIEW

To investigate the link between brand image and other ideas, it is necessary to first identify and comprehend its different qualities. Kaemingk (2019) defines brand image as how customers view an organisation or business based on their experiences with it. It is the mental image or story that people construct after being exposed to information about a specific brand. This image is prone to change and evolution throughout time, and it is not always tied to consumer purchases or use of specific items or services (Kaemingk, 2019). People's impressions of the firm are most important, as these opinions can affect future purchases and word-of-mouth communication.As a result, companies say that it is critical to work hard in order to develop a favourable and consistent brand image that is distinct (Kaemingk, 2019).

Developing a brand image is a difficult process that frequently necessitates the aid of marketing specialists with a thorough grasp of efficient product promotion. Corporate and personal brand managers' tactics for creating a well-liked brand are difficult since they entail a variety of components. The first stage in developing a company's brand image is to clearly identify the brand and its values (So et al., 2017). This practise entails defining the brand's distinct vision, mission, purpose, and values, as all of the organization's operations should be consistent with these statements (So et al., 2017). Furthermore, prestige and originality are thought to have an indirect impact on customer brand identification (So et al., 2017). As a result, organisations must make significant efforts to differentiate and elegantly design their goods in order to fulfil the demands and preferences of their target audience. To reach a great conclusion, brand creation includes numerous stages and frequently involves trained specialists.

As can be seen, brand image is an important component of every firm that distinguishes it from rivals and has a substantial influence on customers. The establishment of a trusting relationship between a specific product and a consumer is one of the most visible impacts of a strong brand image. According to Islam and Rahman (2016), people are more likely to create deeper emotional attachments with companies that correspond with their self-concept and have a distinct image. People who have positive brand connections are more likely to like certain items and communicate their feelings with others (Islam & Rahman, 2016). Furthermore, according to some branding specialists, when individuals have a good mental image of a brand, they build a personal connection with it (Islam & Rahman, 2016). Individuals may ascribe human characteristics to goods that reflect their personal ideas and respond in line with a brand's symbolic elements (Islam & Rahman, 2016). As a result, brand image may be helpful in persuading people to create an emotional bond with a firm.

Another effect of a good brand image on customer behaviour is the capacity to persuade purchasers to buy a product by displaying its dependability and quality. According to Lien et al. (2015), when customers have favourable associations with a firm, they are less likely to purchase its items. The ideal attitude towards the product and its attributes is created by brand image, which guides customers towards making

a purchase by assisting them in identifying their wants and preferences (Lien et al., 2015). "Consumption in nostalgic restaurants, for example, indicated that restaurant image has a positive impact on consumption intention" (Lien et al., 2015, p. 215).

CHAPTER 3

RESEARCH METHODOLOGY

Introduction

This chapter aims to explain the methodology used to compile this Project and how it can contribute to the successful production of the research. It serves to justify and authenticate the research procedures adopted to meet the set objectives and answer the main research question. A strong methodological philosophy is essential for achieving a successful outcome, and this chapter sheds light on the approach taken in this research.

Research Approach - Primary Data

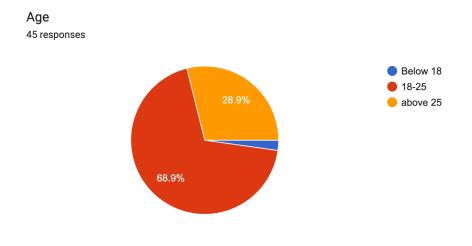
Data Collection - Questionnaire Method and Interview Method

Sample Size - 45 people

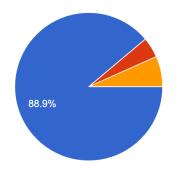
Sample Unit - Delhi NCR

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

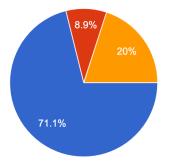


How does brand familiarity influence consumer behavior? 45 responses



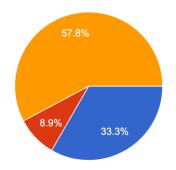
- It increases the likelihood of purchasing the product
- It decreases the likelihood of purchasing the product
- It has no effect on purchasing behavior

How does brand image impact consumer behavior? 45 responses



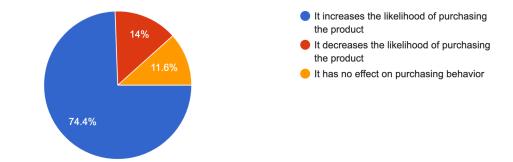
- It influences the consumer's perception of the product or service
- It has no effect on the consumer's perception
- It only affects the consumer's perception in certain situations

How does brand loyalty impact consumer behavior? 45 responses

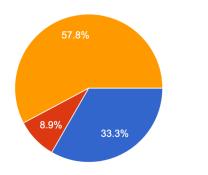


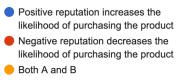
- It increases the likelihood of purchasing the product repeatedly
- It decreases the likelihood of trying new products
- Both A and B

How does brand authenticity impact consumer behavior? 43 responses

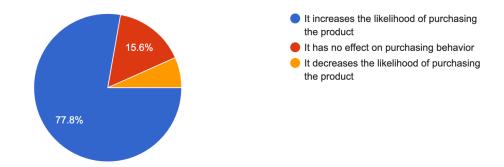


How does brand reputation affect consumer behavior? 45 responses

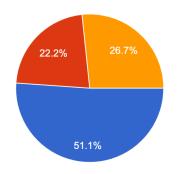




How does brand recognition impact consumer behavior? 45 responses

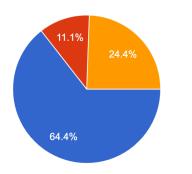


How does brand personality impact consumer behavior? 45 responses



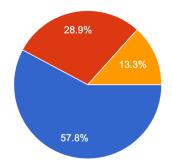
- It influences the consumer's emotional connection to the product or service
- It has no effect on the consumer's emotional connection
- It only affects the consumer's emotional connection in certain situations

How does brand messaging impact consumer behavior? 45 responses



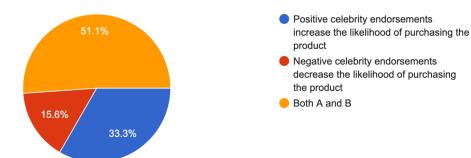
- It influences the consumer's perception of the product or service
- It has no effect on the consumer's perception
- It only affects the consumer's perception in certain situations

How does brand price impact consumer behavior? 45 responses



Higher brand price increases the perceived value of the product or service
 Lower brand price increases the perceived value of the product or service
 Price has no effect on the perceived value of the product or service

How do brand endorsements impact consumer behavior? 45 responses



C		E	F
sample size	45		
sample mean	0.844444444		
sd	0.4746077594		
			alpha 0.05
hypothesized me	1		0.03
test statistic t	-2.198654297		
degree of freedo	44		
p value	0.033205736		

Interview response

- According to the person ,in the food and beverage business, brand recognition may foster a sense of familiarity and trust, leading to greater sales and brand loyalty.
- 2. Branding is important in developing an ideal image and lifestyle associated with luxury fashion labels, as well as influencing consumers' desire to acquire and display their items as per the person.
- 3. In the automobile sector, brand image may influence consumer perceptions of quality, safety, and dependability, influencing their purchase decisions.
- 4. Through branding, healthcare brands may develop trust and credibility, leading to enhanced patient satisfaction and loyalty.
- 5. In the banking and financial services business, brand reputation may influence customer trust and confidence, resulting in more or reduced readiness to utilise their goods and services.
- Consumer behaviour in the technology industry may be influenced by brand loyalty, which can lead to repeat business and favourable word-of-mouth advertising.
- Consumer impression of product efficacy, quality, and value may be influenced by branding techniques in the beauty and personal care business, resulting to greater sales and loyalty.

- 8. In the retail industry, branding may impact consumer perceptions of product quality, value, and overall shopping experience, resulting in repeat business and loyalty.
- In the hotel and tourist industries, brand personality may develop emotional connections with consumers, leading to greater loyalty and favourable wordof-mouth advertising.
- 10. In the service business, brand consistency may foster a perception of dependability and professionalism, impacting clients' trust and inclination to return for future services.



Fig 4

Source: Monkey Learner

CHAPTER 5

CONCLUSION

The incorporation of research findings into a company's marketing strategy might result in the formation of a loyal consumer base. This process begins with the presentation of product information, followed by the customer's experience with the product. A pleasant product experience leads to product loyalty, which is significantly impacted by the brand's optimal market segment placement. Other research findings may be used to guide the company's marketing actions, resulting in good linkages between the product and the brand and brand loyalty. Consistent brand loyalty promotes the development of brand supremacy.

Building a database of loyal consumers is critical in a competitive company climate. This is because buyers do not receive the entire product experience when they first acquire it. Instead, they are impacted by advertising, the producer's brand, and product trust. As a result, it is critical for the corporation to persuade the consumer that their purchase decision was correct, which is a difficult process. The brand is important in this process because it helps buyers recognise the goods and can entice them to return to their purchase because of their affinity with the brand.

5.1 RECOMMENDATIONS

1.Rural Market: Because of India's large rural population, the rural market gives a profitable potential for marketers. Companies must research the rural market's purchasing power, lifestyle, purchasing patterns, and appropriate use level. Brooke Bond, for example, effectively promoted Re 1 tea packets by identifying the essence of the problem.

2.Understanding the Role'of'Children: Marketers must investigate the role of children as buyers' influencers and decision-makers. The issue, though, is properly communicating with them. Advertising recall is stronger in children, but advertisers may grow disillusioned if everyone uses the same strategy. Marketing through schools or influencing children's classmates through their imitative inclinations are two possible options.

3.Distribution:Distribution expenses are becoming an increasingly important component of marketing expenditures. As a result, marketers must devise strategies for efficient and cost-effective distribution. Direct marketing and joint distribution are two possible possibilities.

4.Packaging: With self-service shopping growing more popular and shelf space becoming more restricted, packaging is becoming increasingly important in marketing. Companies must determine packaging requirements and pack items in accordance with demand.

5.Customer Service Challenge: Better service is the only way to keep clients in an increasingly competitive industry. Marketers must put in more effort to grasp customers' perspectives on quality and convenience, as well as undertake frequent research to acquire insights.

4.2 LIMITATIONS

Limited scope: It may be challenging to cover all aspects of branding and consumer behavior in a single project report. The topic is vast, and it may not be feasible to cover all the aspects of branding that impact consumer behaviour. Sample size: The sample size may restrict the research undertaken for the project report. A limited sample size could not give enough information to establish valid generalisations.

Time limits: Time constraints might be an issue when doing in-depth research on branding and customer behaviour.

Bias in research: It is critical to ensure that the study is not biassed in favour of any certain brand or business. Objectivity is essential for reaching good judgements.

Generalizability: The research findings may not be applicable to different situations or groups. The research may be limited to a specific geographical location, and the findings may not apply to other regions.

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QUESTIONNAIRE

- 1. In the food and beverage sector, how does brand awareness influence customer behaviour?
- 2. What role does luxury clothes brand branding have in influencing customer purchase decisions?
- 3. In the automobile sector, how does brand image influence customer behaviour?
- 4. How can healthcare brands impact consumer behaviour when it comes to medical decisions?
- 5. In the banking and financial services business, how can brand reputation influence customer behaviour?
- 6. What impact does brand loyalty have on customer behaviour in the technology sector?
- 7. In the beauty and personal care market, how do branding techniques impact customer behaviour?
- 8. How does branding influence consumer behaviour in the retail industry?
- 9. In the hotel and tourist industries, how does brand personality influence customer behaviour?
- 10. What impact does brand consistency have on consumer behaviour in the service industry?

PLAGIARISM REPORT

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