

Vol III Issue I Feb 2013

Impact Factor : 0.2105

ISSN No : 2230-7850

---

Monthly Multidisciplinary  
Research Journal

*Indian Streams  
Research Journal*

Executive Editor

Ashok Yakkaldevi

Editor-in-chief

H.N.Jagtap

---

**IMPACT FACTOR : 0.2105**

**Welcome to ISRJ**

**RNI MAHMUL/2011/38595**

**ISSN No.2230-7850**

Indian Streams Research Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial Board readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

### ***International Advisory Board***

Flávio de São Pedro Filho Federal University of Rondonia, Brazil	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken, Aiken SC 29801	Hasan Baktir English Language and Literature Department, Kayseri
Kamani Perera Regional Centre For Strategic Studies, Sri Lanka	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Department of Chemistry, Lahore University of Management Sciences [ PK ]
Janaki Sinnasamy Librarian, University of Malaya [ Malaysia ]	Catalina Neculai University of Coventry, UK	Anna Maria Constantinovici AL. I. Cuza University, Romania
Romona Mihaila Spiru Haret University, Romania	Ecaterina Patrascu Spiru Haret University, Bucharest	Horia Patrascu Spiru Haret University, Bucharest, Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Loredana Bosca Spiru Haret University, Romania	Ilie Pinteau, Spiru Haret University, Romania
Anurag Misra DBS College, Kanpur	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Xiaohua Yang PhD, USA
Titus Pop	George - Calin SERITAN Postdoctoral Researcher	Nawab Ali Khan College of Business Administration

### ***Editorial Board***

Pratap Vyamktrao Naikwade ASP College Devrukh,Ratnagiri,MS India	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University, Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yaliker Director Managment Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU, Nashik
Salve R. N. Department of Sociology, Shivaji University, Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	Sonal Singh Vikram University, Ujjain	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary, Play India Play (Trust),Meerut	Maj. S. Bakhtiar Choudhary Director,Hyderabad AP India.	S.KANNAN Ph.D , Annamalai University,TN
	S.Parvathi Devi Ph.D.-University of Allahabad	Satish Kumar Kalhotra
	Sonal Singh	

**Address:-Ashok Yakkaldevi 258/34, Raviwar Peth, Solapur - 413 005 Maharashtra, India  
Cell : 9595 359 435, Ph No: 02172372010 Email: ayisrj@yahoo.in Website: www.isrj.net**



## ROLE OF BRANDING IN ACHIEVING CUSTOMER LOYALTY

SMITA YOGESH VEDPATHAK

Librarian  
Bharati Vidyapeeth Deemed University, New Law College  
Erandwane, Pune

### Abstract:

*A 'brand' is a set of expectations that the customer has about the product. When the customer gets reliable and satisfactory experience about the expectations from the product it results in the loyalty of the customer towards 'brand'. The strength of the 'successful brand' is directly proportional to the expectations of the customer about it and it has various attributes like Customer Desire, Relevance, Pricing Strategy, Positioning, and Consistency etc. Brand Building is a process which is continuous and requires repeated recharging. It is very important for achieving Customer Loyalty because it is extremely dangerous and absolutely wrong to presume that "Once a Customer is always a Customer." Even a single negative experience is enough to make the customer to change over to a competitive brand. Branding is an indispensable activity of any organization. At the customer end it reduces the risk of the customer and eases his or her purchase decisions. Branding involves Rejuvenation which helps in acquiring and maintaining Loyalty. Branding and Customer Loyalty are two different but connected aspects of Marketing. Brand building requires full support of all possible marketing activities whereas customer loyalty or loyal customer does the marketing functions in the way of "mouth publicity" of a 'brand'.*

### KEYWORDS:-

Branding, Marketing, Loyalty, Mouth Publicity.

### INTRODUCTION

'Branding' is inseparable element of any business. It is the foundation for the marketing of any particular product or service. As branding covers all the initial stages of Product design, development, pricing and finally positioning, re-positioning in the market one can see how it is essential for any organization. In the new era of Globalization Branding proves itself as Identity Statement for any product or service. It has reached to every aspect of human life. Same time, in today's Competitive world one has to prove its unique place and to have definite share or value in the market, which can assured through the 'Customer Loyalty' towards a particular brand. To be loyal to a specific Brand, customer judges the experiences from it on the level of his / her satisfaction. Branding gives a thought on Customer requirements and their experiences about the Brand. It is a continuous process and to enhance customer experience, to acquire Customer Loyalty it

is very essential to rejuvenate your Brand. Branding involves this Rejuvenation which helps in not only acquiring but also maintaining the Customer Loyalty. The present article talks about how Branding and Customer Loyalty are connected to each other and helps each other in various steps of marketing.

**RESEARCH METHODOLOGY:**

Present Research paper is based on 'Doctrinal type Research Methodology', includes the philosophy & practice of the whole discussed research topic and related problems. It also includes, interpretation of data & reach to the conclusion.

**OBJECTIVES:**

1. To prove the importance of Branding activities for establishing Customer loyalty.
2. To define 'Branding' as integral part of whole Business Management process.

**BRAND:**

The American Marketing Association defines 'Brand' as a name, term, sign, symbol or design or a combination of them, which is intended to identify the goods or services of one seller or another seller or group of sellers and differentiate them from other manufacturers, seller or competitors.

The purpose of branding is to create differentiation. The 'Brand', about what we are talking represents customer's expectations and assurance or guarantee that the product will perform as per those expectations. Recognized Brand meets to the customer needs and expectations effectively. In other words 'Brand' is Image or Strength of a product. It is a combination of attributes communicated through a name, or symbol that influences a thought process in the mind of an audience and creates value.

The objectives that Good Brand can achieve are:

- Delivers the message clearly
- Confirms credibility of product/service
- Connects target prospect emotionally
- Motivates the buyer
- Concretes user loyalty

The Successful Brand is consists of:

- i) Brand Name: - It gives uniqueness in identity.
- ii) Brand Image: - It signifies reputation. It is an impression of the brand in the minds of customers.
- iii) Brand Loyalty: - A brand can be successful only with the support of loyal customers.

**What is Brand/Customer Loyalty?**

The words Brand Loyalty and customer Loyalty are used interchangeably by various authors which actually talks about Trusted brands by customers and Customer's trust in that brand. Customer or Brand Loyalty means when customer becomes committed to a particular brand and makes repeat purchases over time regardless of

convenience or price. There is a strong need of loyal customers for every brand to be in the market.

**IMPORTANCE OF CUSTOMER LOYALTY:**

According to the basic economics, 'Generally 80% of the profits and sales come from 20% of the customers. It is very crucial to retain their top 20% of customers who really contributes to 80% of business revenue. Though crucial, it is must for any business organization. These top 20% customers are having Loyalty i.e. commitment to a particular brand and also some unique association with the brand. Achieving Customer Loyalty results in-

**i) Reduced Marketing and Operational Cost :**

Retaining existing customers costs less than acquiring new ones. Advertising and marketing to new customers is 4 to 6 times expensive than the cost of marketing existing customers.

**ii) Achieving Brand Equity :**

Loyal customers represent a stable source of revenue. They are less price sensitive, purchase in larger quantity and higher frequency. They are more likely to purchase additional goods or services and contribute to greater business profits. This is all results in the market to a Brand.

**iii) Protection from Competition :**

Frequency of customers to switching another brand is reduced through Customer Loyalty.

**iv) Mouth Publicity/Word of Mouth :**

Loyal customers tend to promote the brand through Word-of Mouth behavior, which potentially converting prospects into new customers. This is the cheapest form of marketing where a satisfied customer does Marketing activity.

**ROLE OF BRANDING IN ACHIEVING CUSTOMER LOYALTY :**

To achieve customer loyalty is must for any Brand for that Brand should be strong enough and also customer centric. Branding is the activity which covers all the essential steps to make the Brand powerful and to achieve Customer faith and Loyalty in the Brand.

The use of name, term, symbol or design or a combination of these to identify a product is called 'Branding'. The concept of branding is centuries old, started from 16th century.

The term 'Brand' evolved with the purpose to strengthen the association of the Brand name with a product, its quality, personality, work culture etc. Branding is just not Naming; it is a combination of art and science that manages associations between the Brand and impressions in the minds of customers about the brand.

Branding is the foundation of marketing. It allows marketers to create added values that distinguish one brand from another. A 'Brand' is created by combination of a core product with distinctive values that distinguish it from competitor brand. Branding or brand building involves both tangible and intangible attributes that are functional and emotional benefits which are taken into consideration during Brand selection.

Branding basically consists of three concepts:

- i) Brand Promise: It is commitment from Brand to customers for satisfying their expectations.
- ii) Brand Attribute: It includes all unique ways to deliver Brand Promise.
- iii) Brand Personality: It is actual impression of a brand in customer's mind.

By ensuring these 3 things in 'Brand' Customer Loyalty can be achieved, for that purpose consistent and strategic Branding is required.

Brands are built by the combination of seven factors given below:

- 1) Quality: Core product must have high quality because it is judged by customers on the basis of qualitative performance given by it.
- 2) Positioning: Branding activity must be done with knowledge about the target audience or Customers and their needs. To create unique position in the market, Brand requires effective Brand Name, Image, Service, Design, Guarantees, Packaging and Delivery from their side.
- 3) Re-positioning: Customer needs varies widely, same time with market change the new opportunities arise and repositioning has to be done by the Brand. But it should be done with uniqueness and not frequently.
- 4) Well balanced Communication : Brand positioning shapes customer perceptions. Awareness about Brand's position in the target audience is must, for that branding involves marketing activities like advertising, use of mass-media in controlled and balanced manner.
- 5) Being First: Pioneer Brands are more successful than follower ones. It gives wide scope to create impression in target customers and to shape their expectations. It also can become the Benchmark for late entrants.
- 6) Long Term Perspectives: Generating awareness, communicating brand values and building customer loyalty takes a long time. It must have consistency and needs long term perspectives to strengthen the Brand.
- 7) Internal Marketing: As seen earlier, Brand is product image in customer's mind. To keep this image strong, 'Branding' activity should be done thoroughly. Brand values and strategies must be communicated to the staff, which helps the Brand when customer gets connected with any one entity of the manufacturer.

These seven factors which are very essential in Brand building, finally makes the Brand successful and strong which leads to achieve customer loyalty as it covers all the steps of acquiring Customers' faith in the product towards having a strong relationship with the Brand. Marketing activities are also involved in Branding. Both, Branding and Marketing should be customer centric too. It is also true that Branding alone is not the base of achieving Customer Loyalty but when combined with other factors such as good service and value for money can help in increasing the Loyalty further.

#### **FINDINGS:**

- 1. Branding plays vital role in achieving Customer Loyalty.
- 2. Branding & Customer Loyalty are both interconnected and related aspects of Marketing.

**CONCLUSION :**

A successful Brand is a combination of satisfied customer expectations and creation of a unique image in the minds of customers. By using proper Branding strategy this Customer Satisfaction can be converted in Customer Loyalty. Without 'Branding' no 'Customer Loyalty' should be achieved.

Branding is Foundation for marketing and Customer Loyalty helps marketing with 'Word of Mouth' behaviour of customers.

**RECOMMENDATIONS :**

Further research should be done in

- 1.Customer Loyalty programmes and their success.
- 2.Direct involvement of customers in 'Product Design' activity.

**REFERENCES**

- Perreault, William D., "Basic marketing," Tata McGraw Hill, 2007
- Mason Thelen.(2010) "Loyalty Programs: A Thing of the Past," <http://www.vnumedia.com/>
- Choudhary, Vikas & Dhansoia, "Building Customer Focused Organizations for Superior Performance through Customer Relationship Management," Dec. 2010, <http://www.srirecom.com>
- Czinkota, Micheal R. And Ronkainen, Iikka A., "International Business," Cengage Learning, 2005
- Monica O'Brienl.(2010) Available: <http://www.personalbrandingblog.com/six-tips-for-building-brand-loyalty/>
- Arun kumar And Meenakshi, "Marketing Management," Vikas Publication, 2009
- Bose, Biplab, "Marketing Management," Himalaya Publication, 2010
- Sherlekar, S.A., "Marketing Management," Himalaya Publication, 2007

## Publish Research Article International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished research paper.Summary of Research Project,Theses,Books and Books Review of publication,you will be pleased to know that our journals are

### Associated and Indexed,India

- \* International Scientific Journal Consortium Scientific
- \* OPEN J-GATE

### Associated and Indexed,USA

- Google Scholar
- EBSCO
- DOAJ
- Index Copernicus
- Publication Index
- Academic Journal Database
- Contemporary Research Index
- Academic Paper Databse
- Digital Journals Database
- Current Index to Scholarly Journals
- Elite Scientific Journal Archive
- Directory Of Academic Resources
- Scholar Journal Index
- Recent Science Index
- Scientific Resources Database

Indian Streams Research Journal  
258/34 Raviwar Peth Solapur-413005,Maharashtra  
Contact-9595359435  
E-Mail-ayisrj@yahoo.in/ayisrj2011@gmail.com  
Website : www.isrj.net