The Effect of Consumer-Centric Brand Equity Parameters on the Brand Loyalty: A Cross-Sectional Study

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Abstract

Understanding brand equity is essential for marketers and brand managers because customer perception of a brand has a big impact on consumer behaviour. Consumer-centric brand equity metrics, such as brand loyalty, associations, perceived quality, and awareness, are used to evaluate a brand's value in the eyes of consumers. Brand loyalty and trust act as moderators in the interaction between consumer-centric brand equity features and brand loyalty. To learn more about this subject, information from a sample of customers from different firms can be gathered via a survey questionnaire. Then, data analysis and hypothesis testing can be done using regression and correlation modelling. The macro and micro approaches are two ways to determine a company's financial market worth based on brand equity. Integrated marketing communication can also have a substantial impact on business outcomes, giving businesses a competitive edge, enhancing brand equity, and assuring efficient and reliable communication. The final four steps in creating a strong brand are summarised by the Customer Based Brand Equity Model (CBBE). This area includes enhancing brand relevance, performance, graphics, and perceptions. By effectively completing these processes, a firm may create a powerful brand that resonates with its target audience and enhances business success.

Keywords: Consumer-Centric Brand Equity, Brand Loyalty, Branding, CBBE, Brand Equity Model.

Introduction

The worth that a brand has in the eyes of consumers makes brand equity a crucial notion for marketers and brand managers. Because many businesses view their brands as their most valuable asset, branding has gained attention from both academia and business. Businesses of all sizes are putting more emphasis on managing and enhancing brand equity due to the enormous intangible worth of brands. Therefore, the fundamental component of any marketing strategy is the brand itself (Sharma, 2017).

Consumer-centric brand equity parameters measure a brand's perceived worth among consumers. The criteria include loyalty to the brand, associations with the brand, perceptions of the brand's quality, and brand awareness. Brand equity therefore has a significant influence on consumer behaviour and can influence whether a person purchases, repurchases, or supports a certain brand. Brand awareness measures how familiar consumers are with a specific good or service. High brand awareness leads to improved brand recall, which is beneficial for promoting client loyalty. Consumer perceptions of a brand's general quality in relation to competing brands on the market are referred to as perceived quality. Customers are more likely to stick with a brand they believe to be of greater quality. Brand associations are traits or qualities that customers connect with a particular brand. Credibility, dependability, and innovation are examples of strong brand associations that can increase brand equity and encourage client loyalty. Last but not least, brand loyalty refers to the frequency with which people buy a specific brand over time. It is influenced by a

number of variables, including brand perception, confidence, and consumer satisfaction.

Customer trust and satisfaction are two significant factors that operate as mediators in the interaction between consumer-centric brand equity characteristics and brand loyalty. If consumers like and trust a brand, their likelihood of continuing with it increases, and this effect is amplified if the brand has high consumer-centric brand equity indicators.

Using a survey questionnaire, a cross-sectional investigation can be conducted to gather information from a sample of clients from various businesses. The survey will ask questions about brand loyalty and consumer-focused brand equity metrics. Regression and correlation modelling are two statistical approaches that are used to assess the data and to investigate the study's hypotheses.

By investing in marketing efforts that raise brand recognition, placing a strong emphasis on quality in product development and production, and creating favourable brand associations, brands can enhance their consumer-centric brand equity characteristics. Brands should concentrate on delivering exceptional customer service, guaranteeing product quality, and having open lines of contact with customers in order to increase customer happiness and confidence. These behaviours may contribute to the development of trust and long-term loyalty. Given that employees are the ones who interact with customers the most, it is also crucial to invest in employee training.

Literature Review:

Brand equity is the extra cash flows that branded products receive over unbranded, generic ones. When brand equity is quantified, it serves as the best indicator for assessing the long-term effects of marketing initiatives. A company's financial market value can be determined by brand equity in two different ways. The first is the macro approach, which gives a company's brands an unbiased and objective value and links that value to factors that influence brand equity. The second strategy, known as the micro approach, analyses how brand equity responds to significant marketing decisions in order to follow changes in brand equity at the level of single businesses. (Simon and Sullivan, 1994).

The significance of R&D and advertising in establishing brand equity to deliver exceptional financial results is underlined in studies in academia and business management. Structured customer centricity has the tendency to lessen the influence of advertising on brand awareness while increasing the success rate of advertising and R&D on attitudes towards brand quality. Advertising is not as successful at raising brand recognition, particularly when a firm divides its divisions into various client niches (customer-centric structure) and when the divisions are smaller (high size-based centricity). Instead, as structural customer centricity increases, advertising becomes more efficient at creating perceived brand quality (Lee, 2013).

In the viewpoint of consumers, the value of a brand and strength of the brand are considered to be the two elements that make up brand equity. A brand's power is based on consumer brand associations. However, brand values are the benefits that result from using brand power to increase both current and future profits. Brand equity essentially results from consumers having greater confidence in a certain brand than in its rivals. Customers who trust a brand are more inclined to stick with it and to invest more money with it (Lassar et al., 1995).

There are numerous methods to contribute value to a brand, and there are numerous ways to exploit the value of a brand to the advantage of the business (for example, by providing excellent customer service). Consumer impressions of a brand and what they have observed, learned, and experienced about it through time are what determine its influence. Brand equity is the "added worth" a product receives from consumers in their opinions, words, and actions. (Leone et al., 2006).

Integrated marketing communication (IMC), a promising communication idea, makes it easier to accomplish communication and marketing goals by ensuring communication effectiveness and consistency. IMC has the ability to have a major impact on corporate performance, provide businesses with competitive advantages, boost brand equity, and guarantee effective and consistent communication (Bruhn and Schnebelen, 2017).

Four processes are involved in building a potent brand, according to Keller's (2001) study, which explains the Customer Based Brand Equity Model (CBBE): (2) giving the brand the appropriate meaning through distinctive brand associations. (1) creating a commendable brand identity and increasing brand awareness. (3) generating favourable responses for specific brands (4) Cultivating consumer interactions with brands to foster loyalty. Establishing brand identities or aspects, planning and carrying out promotional activities themselves, and exploiting additional connections by associating the brand with another entity—an individual, place, or thing—can be used to describe the process for creating customer-based brand equity (Keller, 2016). A brand association is the aspect of brand equity that is most often recognised. Both brand loyalty and purchasing decisions are built on associations. All memories associated with a brand, such as ideas, emotions, perceptions, images, experiences, beliefs, and attitudes, are referred to as brand associations. Several associations are acknowledged by some studies to support brand equity. Product associations and organisational associations are the two categories of brand associations (Fayrene and Lee, 2011). Higher shareholder value results from a company's capacity to market its products or services more successfully or in a way that boosts cash flow as a result of the presence of a brand, or brand name. (Swaminathan, 2016).

Numerous academic studies have attempted to measure brand equity and have provided various approaches and measurement constructs. Component-based models and holistic models are two categories of brand equity models. Holistic models aim for an overall assessment of the brand, while component-based methods examine particular components of brand equity (Tolba and Hassan, 2009).

Brand equity is the tangible benefit that a branded product generates over a generic version of the identical product in terms of a successful marketing outcome. The firm and the client's viewpoints on this added value or effective marketing outcome. The "customer mind-set" is the central concept of the consumer-based approach, and it is explained through constructs like attitudes, awareness, associations, attachments, and loyalties. The firm-based perspective, on the other hand, uses "product-market outcomes" like price premium, market share, and relative price in addition to "financial-market outcomes" like brand acquisition price and discounted cash flow from licencing fees and royalties (Atilgan et al., 2009).

A 2015 survey by Pham and Gammoh found that social media is now so commonplace that 93% of consumers believe businesses should have a social media presence. 45% of those who used social media to hunt for information engaged in word-of-mouth marketing after completing a purchase based on the information they obtained there, and 60% of social media users said they were inclined to utilise social networking sites for online knowledge exchange. Social media is also the marketing channel with the fastest global growth. Since social media gives users active roles in managing those processes and makes it easier to connect businesses with customers and maintain their relationships, it has several advantages over traditional media. Not just brand owners, but also individuals and consumer groups on a variety of social media platforms, have an impact on how businesses develop nowadays. The effectiveness of the companies' branding and marketing efforts is significantly impacted by these interactions.

According to a 2004 study by Punj and Hillyer, the "cognitive model" of brand equity components combines behavioural intention and consumption aspects of brand equity that are connected to purchasing behaviour with psychological and memory characteristics. Customer-based brand equity is composed of four cognitive elements. These are referred to as brand heuristics, brand knowledge, brand knowledge strength, and global brand attitude.

Technology improvements have made it possible to shift from mass marketing to relationship marketing and establish direct ties with customers. It has made gathering, storing, and analysing customer data much easier. As a result, enterprises may compile more precise and up-to-date consumer data, create intricate segmentation models, customised offers, and create pricing plans for particular consumer groups. The implementation of new technology accelerates corporate operations and lowers the probability of service errors. However, the pressure on the level of customer service has increased as a result of new technologies. Customers consider innovative brands to be modern and useful. Being innovative means staying up to date, adopting cutting-edge technology, and offering the newest product features. It also helps to project a credible and professional image (Gurhan et al., 2016).

Objectives of the study:

To measure the level of effect of consumer-centric brand equity parameters on the brand loyalty

Research Methodology:

This research is based on collecting data from 211 people to investigate the effect of consumer-centric brand equity parameters on the brand loyalty. The study used an empirical approach to analyze the data, which involved using frequency distribution to examine the patterns and trends in the responses.

Data Analysis and Interpretation:

Table 1 When consumers are aware of a brand and its offerings, they are more likely to develop loyalty towards it

Particulars	Agree	Disagree	Can't Say	Total
Respondents	177	19	15	211
% Age	83.89	9.00	7.11	100

Table 1 presents that with the statement when consumers are aware of a brand and its offerings, they are more likely to develop loyalty towards it, it is discovered that 83.89% of the respondents expressed their agreement with this statement

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Table 2 Consumers tend to develop loyalty towards brands that consistently deliver high-quality products or services

Particulars	Agree	Disagree	Can't Say	Total
Respondents	173	21	17	211
% Age	81.99	9.95	8.06	100

Table 2 presents that the statement consumers tend to develop loyalty towards brands that consistently deliver high-quality products or services, it is discovered that 81.99% of the respondents expressed their agreement with this statement.

Table 3 Consumers often develop an emotional connection with brands that align with their values and aspirations

Particulars	Agree	Disagree	Can't Say	Total
Respondents	171	22	18	211
% Age	81.04	10.43	8.53	100

Table 3 presents that with the statement consumers often develop an emotional connection with brands that align with their values and aspirations, it is discovered that 81.04% of the respondents expressed their agreement with this statement.

Table 4 When consumers trust a brand, they are more likely to remain loyal, even when faced with competitive offerings

Particulars	Agree	Disagree	Can't Say	Total
Respondents	169	23	19	211
% Age	80.09	10.90	9.00	100

Table 4 presents that with the statement when consumers trust a brand, they are more likely to remain loyal, even when faced with competitive offerings, it is discovered that 80.09% of the respondents expressed their agreement with this statement.

Conclusion: -

It can be concluded that, consumer perception of a brand has a big influence on their buying decisions, loyalty, and support. Therefore, brand managers and marketers place a high value on brand equity. Consumers' perceptions of a brand's value are influenced by a number of customer-centric measures, including awareness of the brand, perceived quality, association with the brand, and loyalty to the brand. Customer satisfaction and trust serve as mediators when these indicators are combined. Brands can enhance their customer-centric brand equity qualities by engaging in marketing campaigns, maintaining product quality, creating favourable brand associations, and providing top-notch customer service. By enhancing brand equity and business performance, integrated marketing communications can give companies a competitive edge. By taking the essential steps to develop a strong brand, businesses may form good associations, boost brand awareness, construct emotional connections with consumers, and foster brand loyalty.

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