BRANDING AFFECTS DECISION MAKING

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Abstract: This research intends to find out how branding affects the decision making of the consumers. As we know, in today's world, branding plays a huge role in the decision making of the consumers. This research paper is an attempt to find out whether branding affects the decision making of the customer or not and also to find out whether there is a strong relationship between the brands and the customers using the hypothesis test. In this paper we have made an effort to evaluate the likes and dislikes of the consumers. We are taking the hypothesis test as it is considered good for figuring out the relationship between the consumer's decision making and the different effects of branding. The variables considered include social status, brand loyalty, budget constraints and comfort ability. Our main source of collection is through questionnaires and personal interviews. The results of this research predict that branding does influence the decision making of the consumers.

Key Words: Branding, decision making and consumer behavior

I. Introduction: Consider a situation where the consumers live in a market where there are a lot of products which cannot be differentiated by the consumers because there are no means of distinguishing a product from one and other. The manufacturers will have to use a method to differentiate their product with another product because this can help the consumers to differentiate the product they want from that of others. This is where branding comes into effect. According to Keller, a brand is "a product, but one that adds other dimensions that differentiated in some way from other products designed to satisfy the same need. These differences must be rational and tangible related to product performance of the brand or more symbolic, emotional and intangible related to what the brand represents." From the definition we can state that branding is a process, by which the companies try to create a unique image, logo, symbol or a combination of any of these which helps the consumers differentiate itself from the other companies. Living in an era where branding is one of the major success for a company's growth, branding is truly a unique way of helping the companies find a way to increase the sales of its products. Branding is very effective in the field of commerce and industry. There are five things a company must do to differentiate its brand from the others. They are: 1) Presence, 2) Relevance, 3) Performance, 4) Advantage and 5) Bonding. Presence is where the companies must use different strategies to make its presence felt by the consumers. The companies must make sure that consumers know what brand they are looking for. Relevance is where the

companies must show the consumers that it can offer something, even if it's of a lower degree of specialization, to its consumers. Performance is where the companies must show the consumers that it can perform and deliver better. This may help the companies because people will start trusting that company and this will lead to a higher boost to its growth in the competitive industry. Since the performance of a company is good, there will be an "ADVANTAGE" for the company as it has the consumer's trust. The company will now try to diversify its products. This will lead to a higher degree of specialization of their products and this in turn will increase the company's growth to a higher level. At last, the consumers will share a "BOND" with that company as the company had grown to such a level that the consumers will buy their products only from that company. Since branding plays an important role in the field of commerce and industry, we will find out how branding helps the company to sell their products by using different types of branding methods like name brand recognition, individual branding, attitude branding, private labels, crowd sourcing, etc. The aim of this research paper is to find out how brands are selected by the students of Utkal University, Bhubaneswar; this aim also serves as the research question of this study. Utkal University is located in the capital of Odisha, Bhubaneswar. The reason why we have taken Utkal University is because the students of Utkal University can give us good information of how they select their brands which is the main purpose of our study. We are going to conduct a primary research on how the students choose their brands through questionnaires which will ask them about their style of making decisions while choosing their brands. We will also find out more about it by taking a personal interview of the students. This study shows how branding has its effects on the decision making of the consumers.

II. Literature Review: Branding is an art of setting a platform for a product or service to be sold at a fast moving rate in the competitive market. (Ogbuji et al, 2011) conducted a research on bottled water and after deep analysis they came to a conclusion that branding is a veritable tool for positively influencing consumer choice and its influence is stronger than the product quality. They also stated that all elements of branding do not have equal effect on consumers' choice. Branding plays an even more vital role than product design of various products and services. This is because even if the customer is loyal to a brand, he/she will buy it no matter how good or bad the design looks. (Abdul Ghafoor et al, 2014) states that brand creates consumer awareness and desirability that can facilitate consumer decision making an active brand purchase. The brand influences the customers through past experiences towards certain brands directly or indirectly. (Naeem Akhtar et al, 2016) had done a research on L'Oreal skin care products and they came to a conclusion that if the companies want to influence the purchase decision of its customers then they should give proper attention towards its method of branding. They stated that once a customer is influenced by a particular brand it is difficult for the customer to go for a different brand as the customer has already gained a trust of that brand. (Bhuvan Lamba et al, 2017) came to a conclusion that the companies have opportunities to grow up faster with the industry growth by tying up with foreign brands to increase their market size with the collaborations through FDI which helps them to promote their brand name in the market. (Fatima Sarwar et

al, 2014) concluded that people are now switching from local products to branded products in order to show their status, power and wealth. They also stated that people tend to become more loyal to specific brands but brand switching increases with age due to low income problem of aged consumers. (cathy j cobb, wayne d hoyer, 1985) came to a conclusion that consumers are very much enlightened about the various brands in the market and as such their image is very crucial when it comes to making a purchase decision especially the first time. They have also stated that the purchasing decision of the consumers is also very much influenced by family and friends. (Catherine Herve and Etienne Mullet, 2009) states that it is important to be aware of what purchase behavior tendency dominates in certain country. They also stated that new communication strategies and methods can be implemented according to different age groups. He also states that people are satisfied buyers with switching costs. (Yakup Durmaz et al, 2016) concluded that luxury goods provide private for consumers and symbolize social codes. Since the luxury goods has grown competitively with a high level of innovation improving non price completion factors such as services and quality, there are high chances of counterfeit products produced and the consumer would have a dominating tendency of buying the lesser priced associated with the same level of prestige status and pride. If the marketer can understand the consumers motivation factors towards the luxury goods it would help him to develop better marketing strategies. (Henrieta et al, 2015) had stated that brand is the factor which has an impact on consumer purchase decision making process. Brand provides information about products and creates association that affects the mind of the consumer in purchase process. He also stated that a brand represents a certain value in the mind of the consumer. (Don E, Schultz and Martin P.Block, 2014) had said that reducing the branded elements displayed on packing has a detrimental effect on consumers ability to find and choose the brands they are looking for. They also suggested that copycat branding has a strong detrimental effect on consumers as copycat brands slow down brand recognition and can even cause consumers to make errors, mistakenly selecting the copycat brand in place of the brand their looking for. (Mobeen Asfaq, Mohammad Ali, 2017) said that a well know brand are very famous amongst the people as they trust the brand name this also indicates that people often purchase well-known brands since their aware of the brand performance or perhaps they had a good past experience about the brands. They also concluded that majority of the people purchase the branded products with the belief that brands show their status and lifestyle in the society.

III. Research Methodology:

Objectives:

1. To study If branding does influence the consumers preferences or not.

2. To study If branding increases their social status or not.

3. To study If the students of Utkal University are loyal to a particular brand or not.

IV.Methodology:

In pursuance of the above mentioned objectives and the hypotheses, the following methodology was adopted for conducting the study. The study is an empirical one based on both primary and secondary data. This research paper is intended to overlook the impact of branding, brand awareness, tastes and preferences and the brand loyalty of the Utkal University students.

Data Collection: Our data is going to be a descriptive analytical and qualitative. We are going to collect our data through questionnaires and personal interviews with the students. The primary data for the study is collected by using a questionnaire for students. The secondary data has been drawn from various publications and also from different websites.

Sampling: Students of Utkal University has been taken into consideration for the present study. The sample is drawn from the university students. A total 100 sample respondents have been chosen by using convenience random sampling technique.

Statistical Tools Used: The primary data have been interpreted with the help of simple statistical tools such as Z-test is administered.

V. Analysis:

1. To study If branding does influence the consumers preferences or not.

Aim: Our aim is to analyze the effect of branding on the students of Utkal University.

Observation: We have observed that fifty one students have been influenced by branding whereas forty nine students have not been influenced by branding.

Statement: Here we are using the test for population proportion as we are comparing two attributes. We are taking P = 0.5 as the attributes are closely related to each other. Therefore, the hypotheses statements are:

H0: We can assume that branding does influence the students of Utkal University, i.e., P= 0.5

H1: We can assume that branding does not influence the students of Utkal University. i.e., P$\neq$ 0.5 (Two tailed test)

Test statistic (Z) $= \dfrac{\rho - P}{\sqrt{\dfrac{PQ}{n}}}$

Here, we take n= 100; x=51; P= 0.5 and α= 5% (level of significance)

Therefore, $\rho = \dfrac{x}{n} = \dfrac{51}{100} = 0.51$

Also, Q= 1-P= 1-0.5= 0.5

Therefore, Test statistic (Z) = $\dfrac{0.51-0.50}{\sqrt{\dfrac{0.5*0.5}{100}}}$ = 0.2

Therefore, at 5% level of significance, the critical values are [-1.96, +1.96]

Since, Zcal value lies within the area of acceptance, **H0** is accepted.

Conclusion: we can assume that branding does influence the students of Utkal University.

2. To study If branding increases their social status or not.

Aim: our aim is to analyze if branding increases the social status of a person or not.

Observation: we have observed that 58 students had said that branding increases their social status whereas 42 students had said that branding did not increase their social status.

Statement: Here we are using the test for population proportion as we are comparing two attributes. We are taking P = 0.5 as the attributes are closely related to each other. Therefore, the hypotheses statements are:

H0: branding increases the social status, i.e., P=0.5

H1: branding does not increase the social status, P≠0.5 (Two-tailed test).

Test statistic (Z) = $\dfrac{\rho-P}{\sqrt{\dfrac{PQ}{n}}}$

Here, we take n= 100; x= 58; P= 0.5; α= 5 %(level of significance)

Therefore, $\rho = \dfrac{x}{n} = \dfrac{58}{100} = 0.58$

Also, Q= 1-P = 1-0.5 = 0.5

Therefore, test statistic (Z) = $\dfrac{0.58-0.5}{\sqrt{\dfrac{0.5*0.5}{100}}}$ =1.6

Therefore, at 5% level of significance, the critical values are [-1.96, +1.96].

Since, Zcal value lies within the area of acceptance, **H0** is accepted.

Conclusion: branding increases the social status.

3. To study If the students of Utkal University are loyal to a particular brand or not.

Aim: our aim is to analyze if students are loyal to a particular brand (brand loyalty).

Observation: we have observed that 56 students had said that they are loyal to a particular brand whereas 44 students had said that they are not loyal to a particular brand

Statement: Here we are using the test for population proportion as we are comparing two attributes. We are taking P = 0.5 as the attributes are closely related to each other. Therefore, the hypotheses statements are:

H0: students are loyal to a particular brand, i.e., P=0.5

H1: students are not loyal to a particular brand, P≠0.5 (Two-tailed test)

Test statistic (Z) $= \dfrac{\rho - P}{\sqrt{\dfrac{PQ}{n}}}$

Here, we take n= 100; x= 56; P= 0.5; α= 5 %(level of significance)

Therefore, $\rho = \dfrac{x}{n} = \dfrac{56}{100} = 0.56$

Also, Q= 1-P= 1-0.5 = 0.5

Therefore, test statistic (Z) $= \dfrac{0.56 - 0.5}{\sqrt{\dfrac{0.5*0.5}{100}}} = 1.2$

Therefore, at 5% level of significance, the critical values are [-1.96, +1.96].

Since, Zcal value lies within the area of acceptance, **H0** is accepted.

Conclusion: students are loyal to a particular brand (brand loyalty).

VI. Findings:

At the point when our respondents filled the survey, we discovered that the greater part of them were not so energetic to wear marked garments to school. When we approached them the explanation behind not having that much excitement in wearing marked garments they said that mark doesn't make a difference that much and solace was their most extreme need. At the point when addressed what their two most loved brands were among every one of the brands Allen Solly and Van Huesen. When we enquired with respect to why they like those specific brands so much they said that it looked shocking and was entirely agreeable to wear.

When we asked them whether they purchase garments as indicated by a specific spending plan or in the event that they have no spending imperatives. A large portion of them answered that they purchase garments as indicated by a specific entirety of cash. What's more, when we asked them whether they wear marked garments to school just to parade it off or on the off chance that they were extremely specific of wearing a specific brand to school. We got more reaction from individuals saying that they were specific of wearing a

specific brand to school. When we asked them for what reason they were specific about the explicit brand they revealed to us that they have parcel of brand dedication and like the material and surface of the garments the brand gives.

We additionally inquired as to whether they wanted to purchase marked garments likewise in the wake of seeing other individuals wear them or not. The vast majority of their reaction was that they didn't want to purchase marked garments in the wake of seeing other individuals wear them. Toward the end we made an exceptionally critical inquiry which our exploration paper depends on. We inquired as to whether marking influenced their basic leadership or not. It was difficult to separate between the two yet toward the end marking marginally had the high ground against the individuals who were not influenced by marking. We came to a conclusion that **branding played a huge role in the decision-making** of the students of Utkal University. At the end of the day everyone loves wearing branded clothes whether they accept it or not.

VII. Limitations of Study:

1) We are limiting our exploration paper towards the apparel line.

2) Our principle center is around formal garments.

3) This is on the grounds that branding overall is an extremely huge subject to cover.

.VIII. Conclusion :

We are finishing up our examination paper dependent on the accompanying focuses:

•   Branding assumes an imperative job in basic leadership of the shoppers as it fabricates great association with clients through its novel characteristics like bundling, publicizing, etc.

•   From this we can see that the purchasers are picking marked items over neighborhood items the primary explanation behind this is individuals need to demonstrate their riches and status and influence.

•   We can likewise watch plainly from the above discoveries that buyers are faithful to a specific brand because of their brands execution throughout the years. The brands have given their affirmation that they will satisfy the clients' desires and won't let them down. This plays an imperative factor regarding why customers are faithful to their brands.

•   Most of the shoppers will in general connect themselves with a brand. This is basically a direct result of the manner in which the brands publicize their items to the clients. For instance, when Virat Kohli first propelled his own one of a kind brand one8 in Delhi. A great deal of adolescents was pulled in by it due to the manner in which it looks as well as essentially because of his high position as the Indian cricket commander. By this we can state that even huge hotshots impact the clients to purchase different brands they embrace.

•   Branding is a veritable apparatus for emphatically affecting purchaser decision and its impact is more grounded than item quality. For instance when an individual see's somebody who utilizes a specific brand the individual normally motivates the propensity to get pulled in to that mark.

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