

INFLUENCE OF THE BRAND ON PURCHASE DECISION

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Abstract

The influence of the brand on purchase decision has been and is still extensively studied by marketers, researchers, economists, manufacturers (especially the multinational companies). In the present study we aimed to find out if the brand influences the purchase decision of consumers in general (brand products/services). A survey has been conducted in September 2016 on a number of 225 people, residents of Tîrgu Mureș city, from Romania, aged between 15 and 65+. The collected data were analyzed to comply with the objectives and also to draw conclusions. From the study it is revealed that the purchase decision of a potential buyer is influenced by a number of factors, in particular by the quality and price. We chose to study the influence of brand on purchase decision, a very topical subject that can never be fully exhausted.

Keywords: Brand, purchase decision, purchase intention, brand preference

JEL Classification: M37

1. Introduction

Brands, whether in business, arts, sports, tourism, personal, etc., have become a social and cultural phenomenon with tremendous power. We chose to study the influence of brand on purchase decision, a very topical subject that can never be fully exhausted.

According to Bullmore [4], "Products are made and owned by companies. Brands, on the other hand, are made and owned by people ... by the public ... by consumers. Brands - unlike products - are living, organic entities: they change, however imperceptibly, every single day. No two people, however similar, hold precisely the same view of the same brand" [8]. Taking into consideration this idea, we can state that marketers seek to influence rather than control the perception of consumers about brands.

Nowadays consumers have a good knowledge about the brand products/services, they trust them because branded products/services offer better quality and promise unique things and they keep it. Usually most of the customers are loyal to specific brands.

Considering these aspects, the most important objective of this study is to determine if the brand influences the buying decision of the subjects participating in the research.

However, it has to be taken into consideration that a purchase decision is not the same as an actual purchase. Often, there is a time delay between the formation of a purchase intention or decision and the actual purchase, particularly for complex purchases such as automobiles, personal computers, consumer durables. For the products of daily use, the time between the decision and the actual purchase may be short. There are consumers who make a list before purchases that includes specific brand names because the consumer is already loyal to a particular brand, or prefer a certain brand that results in its repeated purchase.

The present paper has the following structure: the first section presents theoretical review of the most essential elements of the brand, the second section focuses on the methodology of research and the results of the research. The article ends with conclusions and provides the limitation of the research.

2. The brand – an essential element in a competitive marketplace

In this globalized world, defined by extremely high competition and by its digital economy - it is incredibly rare for a company or an organization to be without brand. This is confirmed by Aneta Bogdan (2007), Managing Partner of Brandient, leader of the consulting and brand design market in Romania, which states "in a competitive environment, when competition is fierce, and the consumer elusive, it is impossible to believe that a retailer could survive or grow without building a brand" [3].

Over time the number of brands has increased significantly. While it may seem hard to believe, there are many categories of brands such as museum brands (Museum Peles from Sinaia), personal brands (David Beckham) company brands (Coca-Cola), destination brands (eg. the brand Muntenia [9]), etc.

However, it is not easy to define what a brand is, along with how to create, manage and value it. Numerous definitions given to the concept of brand in the literature can be grouped into one of two ways. The first set of definitions focuses on some of the elements that make up a brand. For example, American Marketing Associations [1] in 1960 defines brand as "a name, term, design, symbol, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from competitors" [7]. This definition suggests that brand is the responsibility of marketing department and it has to be legally protected by national or regional offices to be used exclusively by the owner.

The second set of definitions describes the associations that come to people mind when they think about it. Franzen and Bouwman (2001) state that a brand is a network of associations with a (brand) name in the brain of a person [10]. Brands, according to this view, are pieces of information, meanings, experiences, emotions, images, intentions, etc. interconnected by neural links of varying strength. According to Robert Heath theory, these associations can exert a strong influence on the decision about which brand to choose, even if we are not consciously aware of them or do not actively analyse their meaning [8]. We can find studies that have shown that brand associations influence consumer preference and behaviour [2] [11].

The brand is inextricably linked to the business, because creating a brand may start in the marketing department, but the consumer experience (which can be a decisive fact in the purchasing decision) occurs only when they interact with the brand.

The brand, besides the fact that it is inextricably linked to the business, affects business performance. Business performance is based on the behavior of customers, whether they choose or not to buy a particular product or service. And that behavior is based very much on the perception customers have of the brand, how relevant it is to them and how differentiated it is from the other brands in the same category [6].

The brand can be viewed from the perspective of consumers, but also in terms of companies or manufacturing companies. Table no. 1 presents two different views about the brand.

Table no. 1. The advantages offered by brand to both parties

Consumers	Manufacturers
A better identification of source of product	Means of legal protection
Reducing the risk of purchasing	Uniqueness
Reducing the cost of search	Differentiation from competitors
Promise	Source of competitive advantage
Quality representation	Source of profit
Trust	
Reputation	
Assignment of responsibility to product maker	

To be memorable and visible, and meet consumer expectations, brands need to differentiate between them, to promise unique and relevant things and be reliable.

In this way, consumers will not be disappointed and they know that can be sure in the durability and the quality of brand purchased. The satisfaction that the consumer receives in exchange for the acquisition of a brand can be a decisive reason in purchasing decision.

Emotionally charged brands influence our purchase decision not only more powerful but also more time [8]. Brands help people to make a choice and to take decisions on purchasing a product or service.

3. Method and results

The research was done on a representative sample of 225 people (quantitative research), the residents of Tîrgu Mureş city, Romania. As a form of research we used the statistical survey, and the research was conducted during the period of 4th to 25th September 2016.

In Table no. 2 there are presented the demographic informations of the respondents. Two demographic factors that influence consumer purchase decision were considered in this study: age and genders. The survey shows that majority of the respondents were female, respectively 79%. Sample has been selected randomly without any bias and all the respondents are people who in the last month have purchased a brand at least once.

Table no. 2 Demographic informations of the respondents

Variables	Options	Frequency	Percentage (%)
Gender	Female	178	79
	Male	47	21
Age	15-24	23	10
	25-34	79	35
	35-44	43	19

	45-54	55	24
	55-64	17	8
	65+	8	4

To find out if consumers prefer to choose branded products/services when making a purchases (assuming that they would afford them financially), respondents are being asked about their perceptions towards branded products/services.

Table no. 3 Preference for a brand

Options	Frequency	Percentage (%)
Always	118	52
Frequently	64	28
Sometimes	39	17
Never	4	2

The majority (52%) of the respondents answered that they always prefer branded products/services. The number of those who said that they never preferred branded products/services is the lowest (2%), it is almost insignificant, fact which shows the high needs of today consumers.

But it has to be taken into consideration that respondent's preference for a particular brand does not mean that they will purchase that brand. The majority of the consumers prefer to purchase branded products/services because brand represents the symbol of quality, confers status and confidence.

The purchase decision of a potencial buyer is influenced by a number of factors, namely past experiences, brand, quality and price. Therefore, we formulated the following question: "What attributes are you considering when buying a certain brand in general?".

Table no. 4 The most important attributes of the respondents

Attribute	Frequency	Percentage (%)
Price of the products/services	24	11
Quality	21	9
Both, price and quality	138	61
The brand name	30	13
Design	5	2
Other attributes	7	3

As we can see in Table no. 4, the price-quality relationship is the most important factor in purchase decision. Consumers who are satisfied with the quality and price will have a positive attitude towards the brand, and this will increase purchase intent and future actual purchase.

Answers to the following questions are given in Table no. 5, "If you consider that branded products/services have better quality, are you willig to pay more for them? ".

Table no. 5 The willingness of the respondents

Yes, always	81
Often	92
Sometimes	30
No, never	22

The majority of the consumers appreciate known brands for better quality and they are agree to pay more for them.

Question that gives us another insight into people's reactions regarding to a new brand: "I am willing to try new products from companies I trust".

Table no. 6 Consumer's reaction regarding to a new brand

Yes, I agree	112
No, I dont agree	27
I agree, but it's not always true	86

Further, the respondents were asked how many brands they normally consider before taking final buying decision. 23% of the respondents consider only one brand when they take purchasing decision, 48% answered that they considered two different brands and 17% respondents considered three brands. Only 12% of the respondents answered that they compared four different brands before taking their final purchasing decision.

4. Conclusions

The purpose of this study was to find out if the brand influences the purchase decision of those consumers who participating in the research. In order to comply with this a questionnaire administrated survey has been conducted during the period of 4th to 25th September 2016 among 225 respondents of of Tîrgu Mureș city, Romania.

The research revealed that the brand significantly influences the purchase decision of consumers. The majority of the consumers prefer to purchase branded products/services because brand represents the symbol of quality, confers status and confidence. Also, from the respondent's answers we can conclude that the branded products/services have better quality.

Keller and Lehmann (2006) were right when they said that "for customers, brands can simplify choice, promise a particular quality level, reduce risk, and/or engender trust" [5].

The research presents some limitations:

- 1) Only one city of the country has been considered. Findings might vary according to the location, standard of living and these factors have not been considered separately in this paper.
- 2) Only the descriptive statistics has been used to analyse the data, no steps have been taken to use inferential statistics.
- 3) Certain brands were not taken into account, but brands have been considered in general (product and services brands).

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