

# The Impact of Brand Awareness on The consumers' Purchase Intention

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## Abstract

This paper presents a review about the impact of brand equity and brand awareness on the purchasing intentions of the consumers. The purpose of the paper is to elaborate the relation between the awareness of a brand and the intention of consumer of buying that brand. This has been done by going through different literature and articles by different authors. It will help the readers to come across the work done by various well known authors at one place and hence will help to know how knowing a brand well will affect the consumer in making decision about buying a product.

**Keywords:** Brand awareness, Brand equity, Purchase intention, Brand performance, Brand loyalty, Purchase intention

## 1. Introduction:

We are living in the 21<sup>st</sup> century and the consumer of this time is well aware about;

- What to purchase?
- Where to purchase it from?
- How to purchase it?
- Why to purchase it?

The consumer is not only well aware but he is also conscious about the products he is buying.

**1.1 TheBrand** is made by the perception and experience of the consumers therefore;a wise and conscious consumer only buys the brands well known to him and is also favorable. According to (Macdonald and Sharp, 2000) even the consumers want to purchase a certain product the recognition of brand will still be the most important and influencing factor in making a purchase decision.

When someone is buying a product and he has the name of the brand in his mind it means that that, the consumer is highly aware about that particular brand. And if the products satisfy its consumers they not only remain loyal to their brand but they also help the brand to grow by advertising their brand through their word of mouth.

The product that has higher brand awareness will definitely grow better in the market and help the company in earning profits.

Therefore,we can say that as the brand recognition or, the number of customers will increase and finally the market share and profits will also grow. So, the purpose of the study is to know the effects of brand awareness on the customer purchase intention.

## 2. Literature Review:

“A brand is a name, term, symbol, design or combination of them which is intended to signify the goods and services of a seller or a group of sellers and to differentiate them from those of competitors”.**[American Marketing Association]**.There are two important dimensions on which a brand base that are physiological and psychological dimensions. Brand is ‘perception’ too. This is the cognitive relationship of a consumer with the product. Image and perception derive value. Perceptions of the consumers are shaped by few guidelines like functional and emotional experiences. Thus, if the most worthy recognition in the world occupies the correct corner of the mind of a consumer, it becomes a brand.“Physiological nature of a brand is its logo or symbol that will help create a lasting impression in the minds of consumers”.

## 2.1 Brand Equity and Brand Awareness:

According to D.A Aaker “Brand equity is a set of assets (and liabilities) linked to a brand’s name and symbol that adds to (or subtract from) the value provided by a product or services to a firm or the firm’s consumers. The major brand assets categories are: Brand awareness, Brand usage, Brand judgment, Brand performance, Brand imagery. “

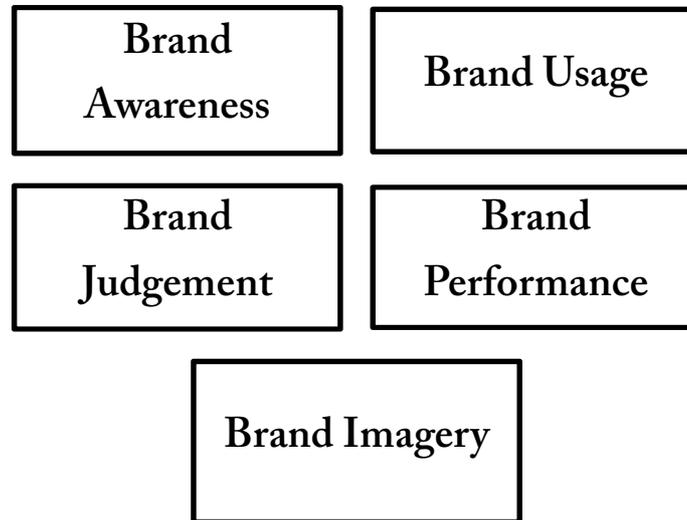


Fig # 1

- 2.1.1 **Brand Knowledge** refers to brand awareness i.e. whether and when consumer knows the brand and brand image i.e. how the consumer associates the brand with him (Keller, 2001). **Brand Awareness** is the measurement of the accessibility of a brand in the memory of the customer. We can measure it through brand recall. **Brand image** means how a consumer perceives a brand (Chandon, 2003).
- 2.1.2 **Brand Loyalty** means the extent of the commitment of a customer to his brand and how many times he repeats his purchases for the same brand. A loyal customer will prefer to purchase his brand consistently no matter what price is offered. Companies always thrive to sustain its customers. They make strategies not only to attract new customers but to cultivate loyal customers.
- 2.1.3 **Perceived Quality** means how much a brand fulfills the expectations of its consumers. It is not the real quality of the products it refers to the personal thought of a consumer about a certain brand or a product. As the time has turned out to be consumer-driven quality this phenomenon is very important and the companies are working hard to achieve the competitive advantage of perceived quality because the perceived quality of a product also depends upon the overall public image. This helps the companies to attain loyal and consistent customers.

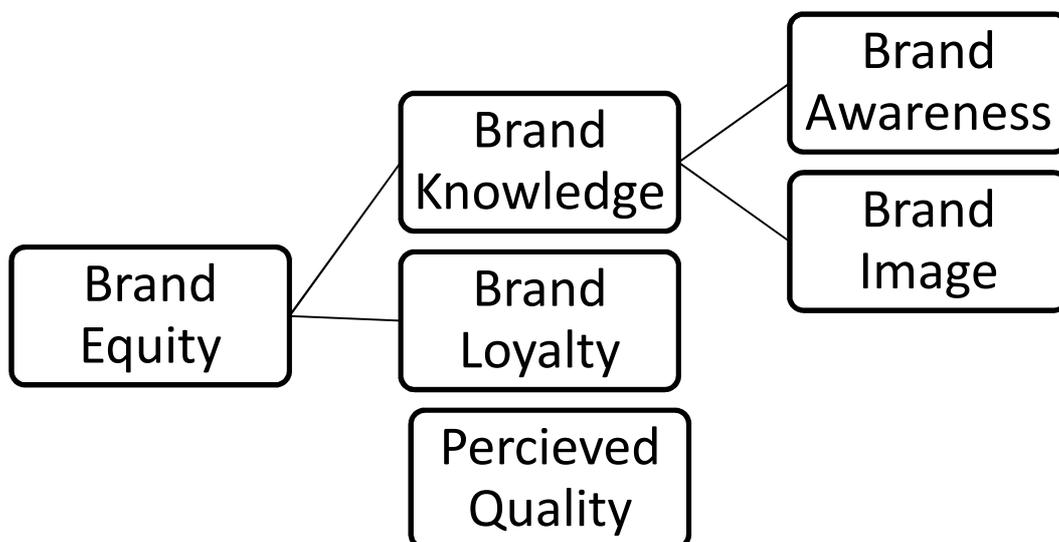


Fig # 2

“Brand equity gives value to the firm by increasing the effectiveness of marketing programs. The components of brand equity allow a firm to develop a competitive advantage over other players. Ultimately that leads to higher price earnings ratios and enhanced shareholder value, achieved because of brand loyalty of customers”. (Kapferer, 2001).

Brand awareness is a primitive level of brand knowledge, involving at least identification of the name of a brand or a structure that has been developed on detailed information. Brand awareness is the fundamental and foremost limitation in any brand related search and it is the ability of a consumer to recognize and recall a brand in different situations.

Brand awareness effects the decision making of a consumer about a product. When a consumer is going to buy something he considers a brand.

If the consumer knows well about his brand he will have more opportunities for buying and he will always make wise economic decision. The most important goal of a company is building a strong brand which not only affects the short-term revenues but it is also fruitful in long term. Therefore, the goal of a good brand management team is to guild a brand that work out last for decades and can add up more products. (Kapferer, 2004; Keller, 2003). The Brand Equity Model by Aaker and Customer Based Brand Equity Model by Keller focus on the consumer’s perception and evaluation of brand.

## **2.2 Factors influencing brand awareness:**

There are different variables which affect the consumer’s awareness about a brand which are;

### **2.2.1 Name:**

The name of a brand is the first thing which attracts a consumer towards a brand. If the company has an attractive brand name consumer will be encouraged to buy that product.

### **2.2.2 Advertising:**

An effective advertisement also helps the organization to increase the awareness about a brand. The influence of advertisement is always on a large scale. An attractive TVC will bring more customers and one happy customer will advertise the brand by WOM (Word of Mouth). The celebrity who is endorsing the brand is also a very important part of advertising the product. Companies hire famous faces as their brand ambassadors and people get attracted towards the brand.

### **2.2.3 Promotions & Sales:**

The sales and promotions also increase the awareness about the brand. Companies use different ways to promote their brand like a free gift, free sampling, giving their product as a gift with another well known product of their own brand or in collaboration of any other company.

### **2.2.4 1<sup>st</sup> Mover Advantage:**

If a company is bringing any product for the first time in the market it will be remembered by the costumers for a long time. People will always remember that this particular product was introduced by that particular company. And they will compare the first brand with the other in the successors in the market

## **2.3 Consumer’s Purchase Intention:**

“Any person or organization that uses any service or commodity.” Consumer plays a vital role in the economic system as he pays to buy the goods or services produced. If consumer demand is not there producers will lose the motivation to produce and it will affect the economic system.

Purchase intention means to plan to buy a good or attain a service. It refers to the desire of a customer to buy a particular product of a certain brand.

The most recognized consumer purchase intention model was presented by Engel, Blackwell and Miniard, 1995. This model describes the purchase process in five stages:

1. Identification of the problem
2. Searching Information
3. Evaluating the substitutes
4. Making Decision
5. Behavior after Purchase

Engel,et al. divides the purchase intention into “Unplanned buying, partially-Planned buying and Fully Planned buying”. Consumers sometimes buy on their gut feelings and the decision is made at the store. This type of decision can be categorized into an unplanned buying decision. Partially-planned buying means that consumers decide the product category before going to the store, and decides about the brand after arriving at the store. Then comes the fully planned buying decision, it means the consumer decides about the product and the brand before entering the store.

## **2.4 Influences on the Consumer’s Purchase Intention:**

The Marketing Dictionary says that the consumer’s purchase intention is influenced by different external or

internal factors. Which are;

**2.4.1 Trigger:** means anything that stimulates a consumer to buy a product of a particular brand. It may be an attractive TVC, some special packaging or any particular attribute of the product which attracts the customer towards the product.

**2.4.2 Outcome Expectation:** consumer's expected outcome from a particular product or service from a certain brand also affects his purchase intention.

**2.4.3 Recommendation:** a recommendation from the side of a worthy and reliable source can help the customer to purchase the brand

**2.4.4 Personal Association:** customer's emotional and personal association also affects his purchase intention of buying any certain brand.

A consumer's purchase intention depends upon very much on the level of satisfaction, he expects and receives. If the brand satisfies the consumer he will become a regular buyer of that particular brand but if not the consumer might engage in the negative marketing of the brand.

Judith and Richard (2002) have indicated that anticipated quality and brand faithfulness are profoundly connected to each other and certainly influence the purchase intention. Another important factor that affects the purchase intention is the perceived cost to be paid for the product. Price sensitive consumers are attracted more towards the cheaper products but the consumers who prefer quality over the price they are less likely to buy low-cost product regardless of its quality. These consumers think that only expensive products are high quality. An attractive package also attracts the consumers towards the product a well packed and well advertised brand will always be preferred over a poorly packed product.

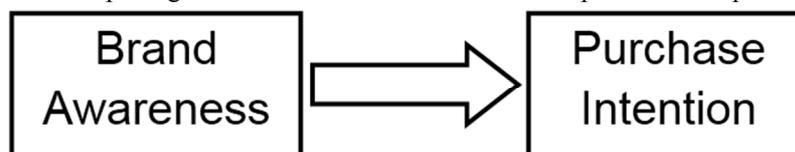
Risk perception of a consumer also influences his buying intention. Normally consumers are reluctant of buying local or private products as the risk level is high in them. Therefore, they prefer to go for well known international or national brands as the risk factor in these products is far less than the private products.

Consumer behavior not only affects the need and intention to produce it also encourages the producer to innovate the production.

Before introducing any product a producer must have a sound information about his consumer and there buying behavior. A consumer goes through many steps while buying any product. The understanding of consumer behavior helps the marketers to answers of what, where, when, how and why of the consumption of the product.

### 3. Methodology:

This paper collects the information from different articles and research papers published from year 2000 to 20016 to review the effects of brand awareness on the buying intention of a consumer. It also has some basic theories describing the brand equity and factors influencing it. As a well known brand equity model presented by Aker (1995). The articles which are selected for this study are mostly published in different worthy journals with good impact factors. Some of the models are also collected from different books by famous authors. All these means have provided significant and valid knowledge about the topic. All the work done by these valuable people has helped us in completing our review and hence we are able to present the required information.



Fig# 3

### 4. Conclusion:

After going through all the information given and gathered by the worthy articles it is here by concluded that consumers will prefer to buy the brand they know well. A consumer is always hesitant of buying new products. Before buying anything a wise consumer will always do the market research or ask someone he trusts and after being well aware of what, how and where to buy? He will buy the product. If a person comes to know any unfavorable information about a product he will not buy it. Therefore we can say that building a positive image of their brand companies have to try very hard. To keep the consumer aware of their brand and to sustain their customer a company will have to keep triggering its brand and advertise more and more to let the large number of people know about their brand.

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