

Factor's affecting customers' brand choice: A literature survey

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Abstract

Consumer behavior is a complex set of activities influenced by a number of factors. With the increasing number of competition the need for analyzing consumer behavior is getting wider throughout the world day by day. A number of factors influence consumer's each and every purchasing decision. For the purpose of creating a strong brand image and set a distinct position in the consumer's mind, the factors, which directly influence customers' brand choice, should be identified by the organizations and formulate strategies accordingly. Keeping all these things in mind, the need for identifying the factors which affect customers' brand choice, by different researchers, is the primary target of this literature survey based study. Secondary sources of data has been used for the completion of the work. From the in-depth review of the literature undertaken it is evident that, with the rise and the use of technology a paradigm shift has been taking place in the customer's brand choice over the last couple of decades. The findings from the literature survey pointed out that, a number of factors affecting customer's brand choice and the dynamics of the consumer mind influence consumer in every purchasing decision. This study will help the organizations to choose the factors for developing strategies and furthermore, support the upcoming researchers in this field to have a clear understanding regarding the key factors that affect the consumer brand choice.

Keywords: factor, brand choice, consumer behavior, literature survey

1. Introduction

Consumer behavior is a complex set of activities of the human mind and is a widely studied field in the recent decades. Though, prediction of consumer behavior is a very tough task but previous purchasing decisions can be anticipated the future moves of a consumer^[1]. Each and every purchasing decision by a consumer influenced by a number of factors^[2]. But in most of the cases, consumers do not even notice the factors that motivate them to take a purchase decision. Murthi and Srinivasan^[3] argued that, consumers do not evaluate brands in all the occasions of purchase though the brand has a huge impact on consumers' purchasing decisions. Each and every buying decision shaped by persons' cultural, social, personal or psychological factors^[1]. Recognizing a brand in a particular buying situation is also influenced by those factors as well. Consumers often rely primarily on product's brand image in making purchasing decisions, as more and more brands within a product category satisfy consumer's needs successfully^[4]. In today's highly competitive marketplace, a number of companies are competing for consumers that are well-informed and familiar about their options^[5]. Thus, building strong brand has become a topmost priority for many organizations around the world as it generates a number of advantages^[6]. The advantages have a twofold impact both from the consumers' point of view and the organizational point of view. Brands take on special meaning to consumers as reliable brands satisfy customers need over a period of time. As a result, brands provide a shorthand device or means of simplification for customer's product decision^[7]. On the other hand, relatively strong brands help the firm to make a distinct identity in the marketplace^[8], shorten the weaknesses to competitive moves, gain larger margins and support opportunities for brand extension^[9]. If consumers recognize a brand and have some prior knowledge about it, then their

expense little thought to make the purchase decision. In the process of buying, consumers are not only concern about the visible appearance of the product, but also a number of factors influence the purchase decision^[6]. Thus the aim of this study is to gone through and accumulate the existing literatures by different authors regarding the factors influencing the brand choice of a customer while making a purchase decision in different situations.

2. Justification of the study

Review of this literature is essential for conducting further research. It will enhance the knowledge of farther researcher about researchers' related research topic. A number of factors influence the customer's purchasing decision and brand choice. Different researchers in different field conducted research on different industry and different brand. The aim of this study is to gone through the previous literatures of different researchers and accumulate the factors is a single platform, which will ultimately assist the future researchers to correlate between the study of his/her own and those of the others. One of the main necessities of a review of previous documents to similar or related phenomena is avoiding duplication of the work that has been done in previous times. A proper review of concerned literature helps the researcher to select variables and methodology of the study, formulate hypothesis, understand concept and theories which are relevant to the researcher's area of investigation, select appropriate statistical tools and interpret the results of a study.

3. Objective of the study

The objective of the study is to identify and explore the factors affecting customer's brand choice with different aspects of related literature.

4. Methodology of the study

This study is descriptive cum exploratory in nature. Only secondary sources of data are being used for the purpose of this study. To develop this study in depth literature review has been used from published articles, books and websites. The study used the available published literature using the internet to complete this study.

5. Literature Review

Yasin, Noor [6] conducted a study on “Does image of country-of-origin matter to brand equity?” The purpose of the study is to explore the effects of brand’s country-of-origin image on the formation of brand equity. The findings of the study revealed that, brand’s country-of-origin image positively and significantly influences dimensions of brand equity. The results also exhibited that brand’s country-of-origin image influences brand equity, either directly or indirectly.

Hillenbrand, Alcauter [5] agreed that the choice of brand name for a product can alter the consumers’ judgment about the product and their purchase decision-making process. With competition getting fiercer and product quality becoming more homogenous, a “better” brand name, can be decisive in product choice if the consumers compare several products. The authors’ research exposed that it has a positive effect on consumer choice to include in the brand name hints at the key benefits of the underlying product.

Parsons [10] did a study on, "Brand choice in gift-giving: recipient influence". The researcher examined the impact of the intended recipient on brand choice when purchasing a gift. The influence of gender, household income and age were also examined to extend the study. The findings of the study suggested that, consumers vary in their choice of brands for different recipient groups. The respondents suggested that, there are gender-based differences in consumer brand choice for gifts, along with some income and age related distinctions. The findings of the study suggested that, overall consumers tend to look for brands with greater perceived symbolic benefits when purchasing gifts.

Degeratu, Rangaswamy [11] conducted a study titled, “Consumer choice behavior in online and traditional supermarkets: The effects of brand name, price, and other search attributes.” The researchers addressed these and related

questions by first conceptualizing how different store environments (online and traditional stores) could differentially affect consumer choices. The results of the study revealed that: 1. Brand names become more important online in some categories but not in others depending on the extent of information available to consumers- brand names are more valuable when information on fewer attributes is available online. 2. Sensory search attributes, particularly visual cues about the product have lower impact on choices online, and factual information have higher impact on choices online. 3. Price sensitivity is higher online, but this is due to online promotions being stronger signals of price discounts. 4. The combined effect of price and promotion of choice is weaker online than offline.

Karakaya and Barnes [12] conducted a study on, “Impact of online reviews of customer care experience on the brand or company selection.” The purpose of the study was to study the impact of customer care experiences voiced online on consumer choice of brand or company when purchasing products and services by including the level of usage of these sites, and consumer opinions about whether or not their comments would make a difference to the actions of companies. The findings of the study revealed that, consumer opinions about customer care in socially-based web site’s impact consumer opinions and consumer engagement and consequently consumer choice of brand or company when making purchases. The web sites, including government/consumer advocacy information sites, company web sites, and information found through search engines, are not considered important in influencing consumers.

Based on the above analysis of literature no works have been found, which analyzed and compiled the factors affecting consumer brand choice in a single board. Therefore, an initiative has been taken to address the issue. This study will help the organizations to choose factors regarding customer’s brand choice, while formulating strategy. Furthermore, this study will help the future researcher to select variables and methodology of the study, formulate hypothesis, understand concept and theories which are relevant to the researcher’s area of investigation, select appropriate statistical tools and interpret the results of a study.

6. Researcher’s Findings regarding the factors affecting Customers Brand Choice

Table 1

Sl.	Title of the Article	Author/s	Factors identified by the researchers
1.	Individual and Situational Factors Influencing Negative Word-of-Mouth Behavior	Lau and Ng [13]	1. Individual factors: Self-confidence, Sociability, Social responsibility, Attitude towards complaining, Attitude towards business in general, Perceived reputation of the firm, Product involvement. 2. Situational factors: Purchase decision involvement, Proximity of others.
2.	Understanding Reference-Price Shoppers: A within- and Cross-Category Analysis	Erdem, Mayhew [14]	Price, Display, Feature, Experience, Promotion, Habit, Education level, Employment status, Income, Brand choice, Quantity, Purchase-timing decision.
3.	An Approach to the Measurement, Analysis, and Prediction of Brand Equity and Its Sources	Srinivasan, Park [15]	Enhanced brand awareness, Enhanced attribute perceptions, Enhanced non-attribute preference, Promotions, Incentive to retailers.
4.	Resistance to Brand Switching When a Radically New Brand Is Introduced: A Social Identity Theory Perspective	Lam, Ahearne [16]	Switching cost, Customers’ psychological bonding, Functional value, Socio-psychological value.

5.	Adoption of Internet banking by Australian consumers: an empirical investigation	Sathye ^[17]	Security concerns, Awareness regarding product.
6.	Consumer demographics, store attributes, and retail format choice in the US grocery Market	Carpenter and Moore ^[18]	Income, Cleanliness, Product selection, Courtesy of personnel, Crowding, Price competitiveness, Ease of access, Hours of operation, Atmosphere, Security, Parking facilities, Presence of eating places, Special events, Seats/rest area, Ease of children.
7.	Factors influencing consumer perceptions of brand trust online	Ha ^[19]	Security, Privacy, Brand name, Word-of-mouth, Good online experience, Quality of information, Brand trust.
8.	The effects of brand associations on consumer response	Río, Vázquez ^[20]	Guarantee, Personal identification, Social identification, Status.
9.	Impact of online reviews of customer care experience on brand or company selection	Karakaya and Barnes ^[12]	Socially-based web site, Consumer engagement.
10.	Identifying key factors affecting consumer purchase behavior in an online shopping context	Park and Kim ^[21]	Product and service information quality, User interface quality, Security perceptions.
11.	Factors Affecting Consumer Choice of Mobile Phones: Two Studies from Finland	Karjaluoto, Karvonen ^[22]	Price, Brand, Interface Properties, Product feature, Country of origin, Sales person's recommendation.
12.	Factors affecting customer satisfaction	Hanif, Hafeez ^[23]	Price Fairness, Customer services.
13.	Factors affecting customer loyalty in Pakistan	Abbasi, Akhter ^[24]	Customer satisfaction, Product image, customer relationship, Trustworthiness.
14.	Chinese and British consumers' evaluation of Chinese and international brands and factors affecting their choice	Laforet and Chen ^[25]	Country of origin (COO), Brand value, Brand familiarity, Brand reputation, Brand trust, Demographics influence, Cultural differences, Country image, Brand image, Income, Education.
15.	Factors affecting high-involvement product purchasing behavior	Lin ^[26]	Brand valuation, Perceived value, Promotional method, Subjective norm, Purchasing behavior.
16.	Factors Affecting Consumers' Choice between Manufacturer Brands and Retailer Own Labels	Livesey and Lennon ^[27]	Differences in consumer needs, Quality of the product, Price differential.
17.	Informal social group Influence on Consumer Brand Choice	Witt ^[28]	Cohesiveness, Group knowledge.
18.	Developing and validating measures of facets of customer-based brand equity	Netemeyer, Krishnan ^[29]	1. Primary factors: Perceived quality, Perceived value for the cost, Uniqueness, Willingness to pay price premium. 2. Related factors: Brand awareness, Brand familiarity, Brand popularity, Organizational associations, Brand image consistency.
19.	The Determination of factors influencing brand choice	Brown ^[2]	Physical characteristics, User's experience, Packaging, Price, Premiums, Guarantees, Habit, Recommendation by friends, Recommendation by experts, Convenience of dealer's location, Personal salesmanship, Dealer services, Dealer prestige, Advertising and display, Special characteristics of the manufacturer, (e.g., labor policy, location, etc.), Novelty, Chance, Availability, Brand prestige or social acceptance.
20.	An Experiment in brand choice	Charlton and Ehrenberg ^[30]	1. Market stimuli: Promotion, Advertising, Out-of-Stock Condition, New Brand, Aftereffects. 2. Consumer attitudes: Brand Image, Attitudes, Loyal users, Attitude change.
21.	Affecting customer loyalty: Do different factors have various influences in different loyalty levels?	Kuusik ^[31]	Customer satisfaction, Trustworthiness, Image, Importance of relationship.
22.	E-Satisfaction: An initial examination	Szymanski and Hise ^[32]	Convenience of the customer, Web-site design, Financial security.
23.	Factors influencing Olive Oil brand choice in Spain: An empirical analysis using scanner data.	Gázquez-Abad and Sánchez-Pérez ^[33]	Brand name presence in store flyers, Price promotion.
24.	Consumer personality and other factors in situational brand choice variation.	Orth ^[34]	Quality, Social benefits, Value-for-money, Emotional benefits, Environmental benefits, Health benefits, Consumer personality (i.e. interpersonal influence and product-category involvement), Consumer situational disposition (i.e. risk-taking, variety seeking and curiosity), Purchasing behavior (i.e. purchasing frequency), Demographics (i.e. age and gender).
25.	The influence of image and consumer factors on store brand choice in the Brazilian market: Evidence from two retail chains	Diallo, Burt ^[35]	Store brand attitude, Store brand price-image, Store image perceptions, Store brand perceived value, Store brand purchase intention.

26.	Factors Affecting Consumers' Behavioural Intention Towards Apparel Stores: A Test of the Mediating Role of Brand Satisfaction	Turhan and Özbek ^[36]	Fulfilling or exceeding their initial expectations, Branded products, Positive rumour, Payment conditions, Attitude of sales personnel.
27.	Factors Behind Brand Switching In Telecommunication Industry Of Pakistan	Shujaat, Syed ^[37]	Price, Brand image, Network quality, Value added services and Promotional activities.
28.	Factors Affecting Brand Loyalty	Wel, Alam ^[38]	Product involvement, Perceived quality and Brand trust.
29.	How Media Factors Affect Audience Responses to Brand Placement	Van Reijmersdal, Smit ^[39]	Program genre, Program attitude and Program's informational value.
30.	Relationship Between Customer Satisfaction and Mobile Banking Adoption in Pakistan	Saleem and Rashid ^[40]	Security, Authenticity and Reliability.

7. Findings, Conclusion and Implication

It is noticed from the available literature, all the studies discussed are related to the large sector, which reveals that a number of factors influences on customer's brand choice. These factors vary from person to person and even situation to situation for each and every customer. Notably, this study indicates, with the growth and usage of technology, a paradigm shift has been taking place in the customer's brand choice over the last couple of decades. The main motive to develop a successful brand is to develop successful brand image that encompasses elements of trust, tradition and authenticity. There are a number of factors that influences the customer to rely on a brand and take the decision for choosing a brand. Successful brands further refereed by the loyal customers through word of mouth communication. Thus, each and every factor that leads a consumer to purchase a product, should be carefully identified by the organizations, setting appropriate strategies for each of the factors is very important. For the purpose of sustaining today's highly competitive market, organizations have to develop and foster brand campaigns with amplified depth and breadth. As the market becomes more and more congested with competing brands and organizations, there will be improved support on phased decision-making strategies as consumers suffer from choice fatigue and become less likely to search out more and more information ^[41]. Therefore, this study will assist the organizations to choose the factors for developing the strategies and furthermore assist the future researchers to have a clear understanding regarding the key factors that affect the consumer brand choice.

8. References

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