



# The Relation Between Brand Awareness, Brand loyalty and Repeat Purchases

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## **Abstract**

*Many products and services, that are launched in the market, fail terribly. And, there are many products and services, who are cheap, but they are successful in the market. So, there must be another reason, apart from price, that makes the product or service successful or unsuccessful in the market.*

*This paper tries to explore those other things, that are very much essential for product or service to be successful in the market. There are many examples, taken from Author's home to justify this point.*

**Keywords:** *Brand awareness, equity, loyalty, repeat purchases*

## **Introduction**

Brand awareness and loyalty is a dominant characteristic in repeat purchasing process. Perceived and actual quality, brand associations coupled with brand loyalty plays a major role in influencing repeat purchases.

The most common example is the author himself. The repeat purchases of Wagon R, in spite of many other competitive brands are the effect of brand awareness and brand loyalty. In first attempt, the purchasing was done after herein positive and delightful reviews for many friends, who were already using Wagon R. But, after some time, when the author sold the first car and began searching for another car, the final decision again came to rest of Wagon R.

Another example is of author's wife. And it's is a much common example, studied by many marketing students. Whenever she purchases any detergent for washing clothes, she always refer to the shopkeeper the name "Surf". And, to my surprise, the shopkeeper, after hearing the order, always give tide to her, while she has asked for Surf. So, the shopkeeper also knows what detergent is she asking for, and gives the same to her. But, the name "Surf" is embedded on both the minds.

So, there must be relation between brand features and the repeat purchases. So, the next section deals with some prominent features of brand those are very crucial for any product or service in the market.

## Brand and the prominent features

When any product or service is launched in the market, the first thing is to attach some particular name, with which the customer can call that product or service. So comes the brand name. But, as is very much evident, the marketing does not stop here. There are many features of brand, which must be looked after, to make the brand successful in the market. These features are:

1. **Brand name** refers to the registered name, which is allotted to that particular product or services, which differentiates it from other products or services, similar to it. But, one thing has to be kept in mind. If brand name is selected from an invented word, with no meaning, considerable time along with other resources has to be invested to make the name popular among the masses. Some is the case with name which has little or no meaning for masses. And one very normal thing – it should be unique and not coincide with other company brand name.
2. **Brand logo** is a symbol that identifies a company or its product or service. It is one way to distinguish a brand from other competition brands. It may consist of combination of words, symbols and colors. It is the visual identity of a brand in the mind of customers. And one thing common with brand name - it should also be unique and not coincide with other company logo.
3. **Brand awareness** refers to the awareness and familiarity of customers with a particular product or service. If the brand is known to customers, that means they are familiar with a product and service and also find difference from rest of product and services.
4. **Brand equity** is the value generated from a company's product or service, in comparison to a other product or service that is available to customers on the market. So, if the brand is having more equity as compared to other products or services, then, the chances of success of that brand is more.
5. **Brand loyalty** refers to tendency of repeat purchases of a particular brand, which is based on the perception of higher quality and better service as compared to any other competitor. And the most crucial thing – *brand loyalty is not dependent on price*. So, there are many products or services, that are very cheap as compared to their competitors, but they enjoy more brand loyalty. So, the most important is quality and service, rather than cost.

All of these said, it is not sufficient for any company to just name its product or services and then sit back and relax. There are many examples how a successful brand failed in the market. The most probable reason is lack of customer retention. Once a customer uses that particular brand, he or she, while purchasing the product or service for second time, switches over to another brand.

So, there must be reasons for this brand switching. So, in the next section, we will see the reasons, due to which customer switches over the brand.

### Reasons for switching over

As mentioned earlier in previous section, there must be some reason why customer switches over the brand in next purchase. The possible reasons are as follows:

1. Dissatisfied with use of that brand in first purchase is the most common reason for switching over. The dissatisfaction may be due to poor quality, poor after sales service or due to differences between the

wants of customer and product/service expectations. This causes customer to switch over the brand in next purchase.

2. Lack of brand awareness might be other reasons for switching over. Everything about that brand is okay, but the customer does not know about it. In that case, that particular brand is bound to fail in the market. We cannot assume sales from a ignorant customer.
3. Disagreement between brand and customer psychology is another reason for switching over in next purchase. The customer brought the product/service in first purchase but is unable to correlate his/her psychology with the brand perception. He/she may see the brand to be more belonging to class that is different from his/her class; the brand may be focused on different gender rather than his/her gender etc.
4. Excessive price may be another reason for switching over the brand. All of us know that Mercedes, Audi or BMW are superior cars but we refrain from buying them due to their exorbitant price. All of these are very superior brands, but we do not buy them due to their high price.

These reasons and many more are responsible for switching over attitude of customers. But, there has to be some way to reduce these phenomena. In every way, customer attraction and customer retention are two very different things. You can attract a customer through advertising, sales promotion, demonstrations, price discount etc. But everything fails if the customer does not return to that particular brand in his/her next purchase.

In the next section, we will deal with the ways in which company can reduce the switching of customers in next purchase.

### **Ways to reduce switching over**

This section is best started with an example from author's home. In recent times, Author has purchased a Robotic Vacuum Cleaner, from a very old and reputed company, whose name is being kept undisclosed due to very obvious reasons. After purchasing it, the author was completely satisfied with its performance. But, when it came to after sale service, the company was totally unreliable and after lodging a complaint, service engineer came after very long time. This was repeated many times in future also.

In the next purchase of Copper based RO water purifier, the author ignored that company with poor after sales service, which was also making the purifier and purchased the same from its competitor. This shows that poor after sales service for a particular brand can have devastating effect on other brands also of the same company.

So, the company should have some measures to remove this switching over. They are as follows:

1. Relating the brand with the customer is one best possible way. Every customer buys product or service for his/her use or for his/her family. So, every company, through its advertising, sales promotion and to other means should assure the customer that particular brand satisfies the need and want of his/her and his/her family. If this thing is borne into minds of customer, half of the job is done by the company.
2. Providing excellent after sales service is essential for the prevention of switching over of brands by the customer. The example, which was given in the beginning of this session, is the best example in this

regard. So, all the companies, which retaining their customers, boosts of their good after sales service. In the starting of this paper, Wagon R was considered as a very good brand by author. The reason is very good after sales service.

3. Creating a new brand based on success of previous brand and inculcating the same in the minds of customer is very much essential for any company. So, all the companies, that have good brand image, can relate to this. The Maruti Company is also no exception. When the author purchased new Wagnor R, he was totally assured that new Wagon R is simply a modification of old Wagon R.

### **Conclusions**

If a firm or company wants to stay in the market for long time through repeated purchases, ideally forever, they must try to bring brand loyalty in the minds of consumers. It may include prompt servicing, low cost if possible, durability and reliability expected by customer, quality in proportion of cost that customer pays for product or service and sometimes, free gift when the customer was not expecting it.

If the company is successful in building brand image in the minds of consumers, future prospects of that company and the brand in question will be very bright.

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