



# Exploring the Influence of Brand Identity on Consumer Perception and Decision-Making

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[ABSTRACT]

This research study examined the influence of brand identity on consumers' perception and decision-making using a quantitative survey approach. Key aspects investigated included the role of brand identity in consumer purchase decisions, the specific components of identity that consumers trust most, and the effectiveness of a strong brand identity in engaging consumers in marketing campaigns. The study elicited the participants' perceptions of the dimensions of brand identity, including reputation, visual identity, personality traits, values, mission, and brand consistency across different platforms. The aim of the study was to comprehensively analyze the multifaceted nature of brand identity and its potential to influence consumer decisions, bring the brand closer to consumers and ultimately create lifelong loyalty. Such a study underlines the great importance of brand identity. The study drives home the fact that businesses should, therefore, strive to develop and communicate a consistent brand identity that is aligned with the changing behaviors and preferences of their target audiences for success in the types of increasingly competitive market environment.

## INTRODUCTION

In ancient societies, branding served as a means of indicating ownership, with farmers marking their cattle and craftsmen imprinting symbols on their products to identify their origin.

Over time, branding developed into a method for businesses to promote themselves and build credibility with potential customers. The question in this case was how brand identity influences consumer perceptions and decisions. And this problem of “branding” has failed a lot of change-phobic businesses in the past. The objective of this research is to garner and apprehend the decisions a consumer makes when shopping. This will give companies insight into the business decisions they need to make in order to maximize their profitability and credibility. The importance of this study also lies in setting a milestone for future research in this area. From the existing material on this topic, we have deduced that brand image and brand personality are pivotal in building brand equity and customer relationships. Brand image, which reflects the overall perception of consumers, significantly influences their purchasing decisions. Brand personality, on the other hand, promotes a bond in which consumers align their characteristics with the attributes of the brand. This allows them to benefit from the brand's characteristics, regardless of their desire to embody the brand's specific personality.

***What is brand identity?*** The outward expression of the brand, including the name, logo, tone, tagline, symbols, and visual appearance, is the identity of a brand. It is the most fundamental means of consumer recognition and symbolizes the brand's differentiation from the competition. A company's brand identity is the way the company wants to be perceived by consumers. [3]

Brand identity is not only a way of building a relationship with the market but also differentiates businesses from their competitors. It is not merely a reflection of their products and services, but is a conscious representation of how a company wants to be perceived by its consumers.

The Nike swoosh is a great representation of brand identity through the medium of a logo. It can be recognized all over the world while simply being a “tick mark”.

**Why is it important?** Many inexperienced and new business owners will wonder why their brand and image are so important, but they need to know that a brand's identity helps them achieve long-term success and build a loyal customer base. Not only that, but it also helps to build a company's credibility in the marketplace and allows companies to develop new businesses and launch new products with the support of their existing customer base.

On a deeper note, a brand's identity also helps customers relate on an emotional level, for example, Unilever *Dove* hosts marketing campaigns promoting the “real beauty” of an individual. Now this not only raised the inner emotions of the market but also was able to sell the soap at a higher rate than its own sub-company *Lux*

Establishing a brand identity also helps the business itself to decide how it is perceived, and not just by external factors. They can promote themselves as environmentally friendly, high quality, innovative, or anything else they want.

**How does it influence consumers?** A strong brand identity can influence the decisions a consumer makes on a day-to-day basis. When consumers enter the market, they are bombarded with brands. And they would rather pick an option that is more reputable than something cheaper or even better quality as that commodity has nothing backing it. Goodwill can be earned through a brand's image as it helps garner a loyal clientele.

Buyers also like to rely on word of mouth or reviews of a product's performance to determine its success. They are easily influenced by what others say, be it a friend from the neighborhood or a celebrity. When consumers are too lazy to decide for themselves, they rely on the words of others.

**Why do brands need to keep innovating?** Consumers are increasingly aware of what is going on around them on social media and other sources, and there is constantly new competition. Brands need to constantly innovate and find new ways to connect with their customers. For example, *Pepsi* a 125-year-old company, still in early 2024, is changing its branding to keep up with the market's constant change in taste and preferences.

## METHODOLOGY

The research method I have chosen can be categorized as quantitative. It comprises multiple choice checkboxes, and linear scale questions, which are structured and standardized formats for data collection. Quantitative research aims to collect numerical data that can be statistically analyzed to identify patterns, trends, and relationships between variables. The survey was designed to collect quantitative data on participants' perceptions, behaviors, and attitudes toward brand identity, allowing for statistical analysis and generalization of results to a larger population.

I opted for a simple method of data collection - a survey conducted both online and in real life. So participants were randomly selected, using online software to help find respondents for the research and also connect the survey with family and friends. All respondents were active consumers and knew what brand identity and image meant.

There are limitations to using surveys as a medium of data collection. They are as follows:

- Limited depth of insights: There is only a limited amount of insights we can garner from the group, they might not be able to put forth their true thoughts through a survey
- Potential Misunderstanding: What the respondents perceive each question as is not certain but we assume they have understood each question.
- Small sampling group: The market of consumers is never-ending, and each consumer is different but through the survey, we are only able to capture the insights of a small group.

The reasons for choosing surveys even though there are established flaws, Efficiency: It is quick and cost-effective, it allows respondents from any corner of the world to share their insights.

- Standardization: The quantitative method of questioning allows us to intercept the answers and reach a conclusive result.
- Anonymity: Respondents can participate in surveys anonymously, which may encourage a more honest response

The questions asked were divided into 4 sections: “Brand Perception”, “Brand Experience”, “Brand Loyalty” and “Brand Engagement”. Questions regarding the importance of brand identity in purchasing decisions and the influential factors of brand identity serve to benchmark the significance of brand identity in consumer decision-making. Understanding which components of brand identity resonate most with consumers provides valuable insight into the areas that brands should prioritize when shaping their identity. By evaluating the influence of brand identity on consumer decisions, brands can adjust their strategies to align more effectively with consumer preferences and expectations.

In addition, emotional attachment to a brand and the broader influence of brand identity on overall perception will be examined to explore the complicated emotional and psychological dynamics of brand-consumer relationships. These questions provide deeper insights into how brand identity shapes not only consumers' perceptions of a brand, but also their overall experience. Beyond functional attributes, understanding the emotional resonance of brand identity helps brands cultivate more meaningful connections with consumers, fostering loyalty and advocacy over time

The questions posed to the research groups were purely quantitative and no personal data was collected from the participants. All respondents voluntarily participated in the survey. Actual responses to the survey were also kept confidential and not shared with any other person or software, except as necessary.

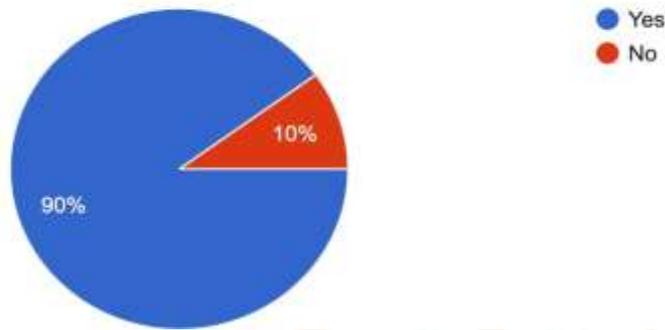
## RESULT

In this paper, we focus on examining the influence of brand identity on consumer behavior, specifically the factors that influence consumer perceptions and decision-making. This study explores how elements such as logos, reputation, values, etc. influence consumer attitudes towards a product or service. Analyzing these dynamics allows us to create strategy-based marketing plans and improve brand management. This research addresses the following key questions: How does brand identity influence consumers' purchasing decisions?

Which aspects of brand identity are most influential to consumers? How does a strong brand identity affect consumer loyalty and engagement with marketing content? Below you will find a brief overview of the results. The data is analyzed and visualized in the form of pie charts and bar graphs. The data from the Google Forms survey was entered into Google Sheets and managed as quantitative data.

### Are you more likely to remain loyal to a brand with a strong identity?

50 responses

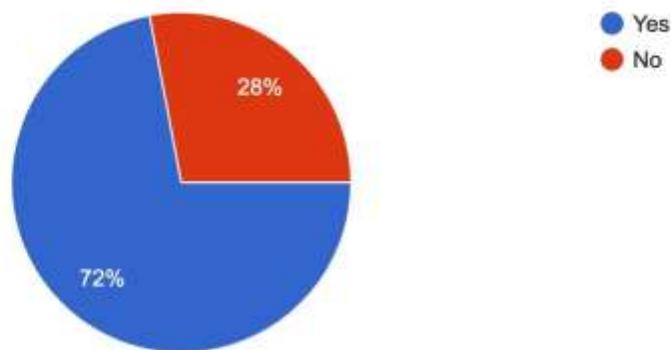


From the above, it is clear that a high percentage, 90%, state that they are more likely to remain loyal to a brand with a strong brand identity. The high percentage indicates a strong positive relationship between brand identity and consumer loyalty. The likelihood that consumers will remain loyal to a brand depends largely on how they perceive a strong brand identity. This point implies that businesses should create an identifiable brand that customers can identify with in order to create loyalty and retain customers.

Perhaps equally notable is that a relatively small proportion of respondents found conditions unfavorable and were unwilling to give more loyalty to a brand with a strong brand identity. The proportion of respondents accounts for only 10% of the population surveyed. Nevertheless, this proportion is not negligible, which means that there is a segment of consumers who may not place a high value on brand identity when it comes to brand loyalty. In this regard, the reasons for such consumer behavior can provide further understanding for businesses to adjust their branding approaches in a manner that caters to all of the customer segments more effectively. The overall data points to a strong positive correlation between brand Identity and consumer loyalty, confirming the importance of a strong brand identity in increasing brand loyalty and long-term profitability.

## Have you ever recommended a brand to others solely based on its identity?

50 responses



The fact that 72% of respondents admitted that they only suggest buying a product or service from a brand because of the identity of that brand was also evident. This majority, 58% of respondents in total, were so strongly influenced by the brand's identity that they influenced their peers to support the same brand. This is further evidence of the importance of brand identity in both moderating individual consumer decisions and encouraging consumers to become advocates.

Conversely, 28% of respondents have not recommended a brand based solely on its brand identity. While this is a lower percentage compared to those who have recommended a brand based on its brand identity, the number is still quite significant. Knowing the reasons why respondents hold this opinion can provide important clues to potential weaknesses or areas that the brand may have overlooked when designing its identity. It can also highlight ways in which the brand could better express its identity in the marketplace.

In summary, the evidence shows the impressive extent of the influence of brand identity on consumer endorsement behavior.

## CONCLUSION

The main objective of this research is to assess the extent to which brand identity shapes consumer opinions and decisions. The quantitative survey method was used to examine in depth the various components of the brand that today's consumers consider in their purchasing decisions and the bond they form with such an entity.

The results invariably show that brand image, which is at the forefront, is the driving force behind consumer choice and is also part of the long-term relationship between the brand and the consumer. To further illustrate this point, the results of the linear data analysis show that a large number of respondents actually consider brand identity to be one of the most important considerations when making a purchase decision.

Specifically, a linear scale shows that 56% of respondents (28 out of 50) gave an average response of 4 on a scale of 1 to 5, with 5 implying “Extremely Important.” This shows that more than half of respondents looked very closely at products or services to determine whether the brand identity matched the profile. In addition, 12% (6 out of 50) indicated that brand identity was the highest score on the scale, ranking 5th among self-perceptions.

68% of respondents who were asked the question about brand identity answered with a rating of 4 to 5 on the importance scale, which means that brand identity has a major influence on the decision-making process. This means that brand identity has a major influence on the decision-making process. 90% of respondents believe that they will be more loyal to brands with a strong brand identity.

On the other hand, most respondents ranked brand identity in the middle of the importance scale, with less than 2% responding as a number 1 and no more than 6% voting number 2. These

people could have a concern about certain other factors such as features, pricing, or convenience to help them make the purchases. Brand identification might not be paramount for them.

The information that serves as a cherry on the top for the main conclusion is that brand identity is an important element in shaping the image of a product in the consumer’s mind, leading them to buy the product and ultimately commit to the brand. Brands that go to great lengths to develop a strong, authentic, and emotionally meaningful brand identity are more likely to be perceived as honest and position themselves at a higher level compared to their competitors by building lasting brand-customer relationships.

Therefore, in the future, companies must always be aware of their responsibility to society. They should continuously monitor consumer sentiment, industry trends, and the competitive landscape, extract information, and adapt their brand identities to remain relevant and true to their purpose. More in-depth studies could look at the particular facets of different brand identity attributes that resonate most strongly with specific consumer groups, as well as explore the interrelationships of other factors on which consumer behavior is based.

In summary, the research demonstrates the continued importance of brand identity in the context of today's highly saturated marketplace with its constant competition and increasingly sensitive consumers to branding. Through the process and creation of a genuine and compelling brand identity that business owners can use to interact with their target audiences on an emotional level, it becomes possible to increase loyalty and turn customers into true advocates, thereby realizing the future success and growth of the business.

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