

# The most important factors that can affect brand loyalty marketing essay



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Brand loyalty is more than just repeat purchase behaviour; it also includes a preference for a particular brand and a positive emotional response to the brand.(Arnould et al., 2002). This concept may be formed by an initial preference for the brand attached to a positive attitude associated with the brand, however after a long period of the consumer may form an emotional attachment (Solomon, 1996). Maintaining a base on loyal customers can be very cost efficient for companies as attracting new customers can cost up to six times more than it would cost to maintain existing customers (Huddleston et al., 1996)

## **2. 2 Theories of Brand Loyalty**

Lau et al. (2006) research of brand loyalty of sportswear brands identified seven factors that can influence consumers. These will be outlined in more detail below.

Price is one of the most important factors that can affect brand loyalty (Cadogan and Foster, 2000). The most price conscious consumers will be affected the most by the pricing techniques offered by stores. Prices conscious people are defined as searching for the best value by buying at sale price or the lowest price available (Sproles and Kendall, 1986).

Customers who have high levels of brand loyalty are confident in their favourite store, so much that they are discouraged from evaluating prices in the market from other competitors, as they are very price tolerant (Yee and Sidek, 2008).

Bucklin's (1998) research discovered that price, discounting products and other price related offers, can often cause consumers to buy in bulk, buy

products when they are not a necessity and even switch from their favourite brand. Loyalty is based on satisfaction with a product, and therefore with discounted prices on products, the perceived cost is much likely to be lower than the perceived value of the product, which will encourage the sale. However, discounted prices tend to be a short-term offer meaning that when the price goes back to its original cost, there is no guarantee of brand loyalty.

Similar to price in the list of seven factors affecting brand loyalty, is promotion. Rowley (1998) describes it as one of the crucial elements of the marketing mix. It can take many forms, however advertising is the most effective as it can affect the consumer's image, beliefs and attitudes towards the brand (Evans et al., 1996). One of the benefits of advertising is that it allows the company to communicate with potential customers (Rowley, 1998), highlight its unique properties and positive factors draw in customer from competitors.

Another of the seven factors is style, which is defined by Frings (2005) as including line silhouette and details. This factor is however unclear, as style is an individual preference, so there is no way for organisations to be able to fit the desires and needs of all of its potential consumers. The amount style is likely to affect a customers' decisions is likely to be due to their level of fashion consciousness. In this instance, the term ' fashion' refers to the latest trends as seen in magazines and on runways. Sproles and Kendall (1999) describes fashion consciousness as being aware of new styles, changing fashions and attractive styling. People who hold this characteristic

get pleasure from buying 'trendy' clothing and from purchasing the latest fashions.

The brand name is associated with all aspects of the brand that the consumer experiences. For example, if the customer experienced poor service quality from a salesperson, they will associate that with the store that they were in and are likely to avoid it in future experiences.

Organisations need to create a positive image through the branding process of their development, to create a solid identity that consumers can relate to and be attracted to (Kohli and Thakor, 1997), however this can prove very expensive and time consuming.

According to Omar (1999) the store environment, is the most important factor for organisations to consider in order to maintain a strong customer base. Things to consider when addressing store environment are; store location, layout, stimuli (Yee and Sidek, 2008), characteristics of staff, noises, smells, temperature, shelf space, signs, colours and merchandise (Abraham and Littrell, 1995). Location is key as the store need to be accessible during a shopping trip to attract customers in (Evans et al., 1996). In terms of noises, some theories claim that music with a slow beat will prolong the time that consumers spend in store and therefore is likely to increase the amount of money spent (Milliman, 1982).

The final two factors that can affect brand loyalty, according to Lau et al. (2006) involve quality. Firstly, service quality has been defined as reaching the standards of the customers expectations and being able to satisfy the needs and desires (Gronroos, 1990). Customers may be appreciative, for

example, of reward schemes that are offered by clothing brands, such as New Look who have recently launched a ' points scheme' called Fashion Rewards.

The product quality is the final category. The product offered much be able to perform the job it was designed for as well as reaching the standards expected by the consumer. Some of the factors that should be taken into consideration by brands concerning this factor are; sizing, fitting, colour, material, function and performance (Frings, 2005). This is likely to affect the spending habits of those who are classes as quality conscious, who are aware of quality and would be happy to pay a premium price to good quality products.