

RELATIONSHIP AMONG BRAND IDENTITY, STORE IMAGE & STORE LOYALTY: AN EXPLORATION OF LINKAGES W.R.T RETAILING

 Amit Kumar Jena ^a GarimaJyoti Srivastava ^b

 Asit Kumar Jena ^c Ashafaque Ahamed ^d
^a Doctoral Scholar, Department of Marketing, XLRI Jamshedpur

^bM.Phil., Christ University, Bangalore

^cM.Tech (Information and Technology), Utkal University

^dMBA, Jaipuria Institute of Management, Lucknow

ARTICLE INFO
Article History

Received on 2nd October 2017

Accepted on 2nd November 2017

DOI: 10.18231/2455-9342.2017.0014

Keywords

Branding, Brand Identity, Store Loyalty, Brand Image, Retail Store Image

Corresponding author.

E-mail: amitjenaxlri@gmail.com

ABSTRACT

Branding is the process involved in creating a unique name and image of product in consumers' mind. Brand identity represent the all visible elements of brands like logo, colour and design etc. Previous research shows that brand image positively influences the retail store image. It is also drawn from previous study that higher retail store image reflects the higher store loyalty. So, consider these studies in mind, the purpose of this study to find out the relationship among Brand Identity, Store Image and Store Loyalty in context of Multi Brand retail outlets.

Further a conceptual frame work has been developed integrating the outcomes of the relationships in order to make propositions for building and taking advantage of these relationship.

The findings will provide an interrelationship between a consumer's behaviour toward one store and his images of other stores. Several implications of the proposed conceptual framework have been suggested for further academic as well as managerial practice.

Introduction:

Retailing is one of important part of today's economy. Retailing is last arm between product conceptualization and product consumption. So, its retailer's responsibility to put an effort for increasing their Brand management and create a clear image of brand as well as store into a consumer's mind. Successful and well-established business work hard in building their brands identify. This brand identity which is an encoded message (source being the company itself) is decoded by the receiver (i.e. consumer being the receiver), Lasswell, H.D., 1948, Schram, W., 1955. The process of encoding the message is because of strong brand image created in the minds on the customer. A well-recognized and accepted brand image is one of the most valuable assets a firm possess (Porter & Claycomb, 1997). Retail manufactures and brand managers are concerned about the brand equity of the retail outlet and thus capitalize

on the value of brand image (Aaker, 1991). As we are almost doing business in a global economic paradigm, the preference of consumers in this global economics can't be neglected. A free market economy; assumes- informed, educated consumers with the power to influence the market through their rational decisions when confronted with multiple brands available in the market. In that sense brand/ store image plays a vital role to affect consumer's loyalty towards a particular retail store also termed as store loyalty. which we will discuss in the later part.

The loyalty of consumers towards the retail stores has also been observed and the customers tend to purchase the desired products from certain preferred retail outlets. In this regard, competition among the retail stores is also increasing (Hameed, 2013). it means that there is a connection between the retail store image/ brand image and store loyalty. We will also discuss about how retail stores act as brands too.

Retail promotion is one of the important means through which retailers target their customers. (Moharana and Pattanaik, 2016). A retail establishment has many associations which combine together to give its total impression. Consumers form impression of the brands they purchase from these retail outlets and later which forms a major decision-making process during purchase from any retail outlet. These images associated with the brands of the store influences a retail store's image and latter get transformed to store loyalties. Drawing from the previous literature on branding the paper suggest that higher brand identity leads to higher retail store image which finally leads to higher store loyalty. Further a conceptual frame work has been developed integrating the outcomes of the relationships in order to make propositions for building and taking advantage of these relationship. Several implications of the proposed conceptual framework have been suggested for further academic as well as managerial practice. We want to find out the relationship among Brand Identity, Store Image and Store Loyalty so for that conceptual framework as follows.

Conceptual framework:

Fig 1 set out our conceptual framework Brand Identity, Store Image and Store loyalty, which formed as extension of two models. According to (Sääksjärvi & Samiee, 2011) model, there is a relationship between

brand identity and brand image. And, according to (Lessig, 1973) there is not a very strong relationship between Store Image and Store Loyalty. Thus, main reason behind thus study is the conceptual analysis of higher brand identity leading to higher store image and ending up with higher store loyalty.

Literature Review:

Defining Brand Identity:

Brand identity is defined as a unique set of brand associations, that firms aim to create or maintain, it represents how firms aspire to be perceived, it does not directly influence consumer preferences (Sääksjärvi & Samiee 2011). Brand identity consisting of brand awareness, purpose, differentiation, and offerings (Chernatony, 1999). According to (Copley, 2004) the brand identity means the way in which the organization presents itself to the consumers. Signs and symbols are used to capture the essence of the organization to create brand identity. Similarly, (Copley, 2004) also explained that the brand identity attributes include brand reputation, brand relevance, brand personality, brand performance, brand relationship, brand reputation, brand relevance, brand personality, brand performance, brand relationship.

The purpose of brand identity is to establish a relationship between the customer and a brand which, in turn, expresses the brand's aspirations (Aaker and

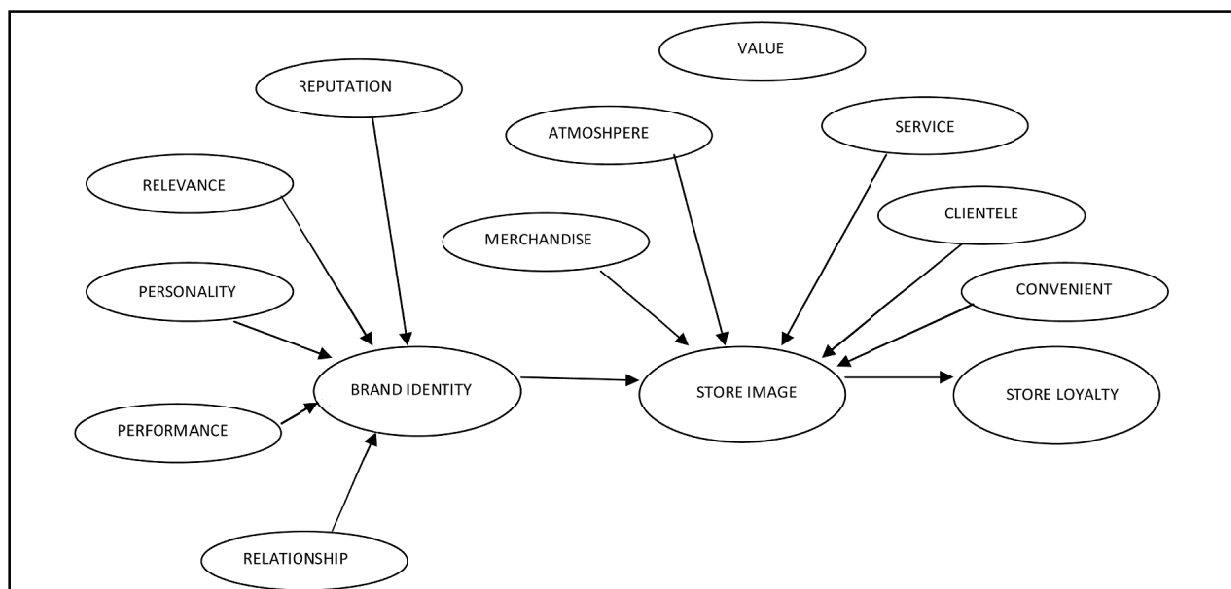


Fig 1: Conceptual framework for Brand Identity, Store Image and Store loyalty

Keller, 1996). This study examines the relationship among the brand identity of the various brands in the shelf of retail outlet, store image and multi store loyalty in the context to retailing.

Brand identity variables:

Brand identity consists of five key variables namely reputation, relevance, personality, performance and relationship of the brand (Bosch, et.al., 2006)

Brand Reputation: It is defined as a brand whole past action and results that describe the brand ability to delivered valuable outcome to many stakeholders. (Fomburn and Rindova, 1996 ; Bosch et.al. 2006).

Brand Relevance: It is defined as how well a Brand can speaks the individual customer, it means that the articulation of band should be relevant to individual customer needs and desire (Perry and Wisnom ,2003).

Brand Personality:It reflect the brand's emotional characteristic (Bosch; et al,2006). Brand often serve a symbolic or self-expressive function, because consumers inspire brands with human personality traits (Aaker 1997).

Brand Performance:According to (Bosch et al, 2006)brand performance is directly related to the levels at which consumers perceive that the primary and actual characteristic of a brand will operate and performance contains an element of perceived quality on the part of the product, service and brand.

Brand Relationship: According to (Harris and Chernatony, 2001)Brand relationship between the brand and its customers, which is characterised by the value inherent in the brand personality.

Relationship between Brand Identity and Brand Identity variables:

The researcher (Bosch et al,2006) proved quantitatively that all independents variable reputation, relevance, personality, performance and relationship explain 62% of variance of band identity means all are positively related to brand identity. However, in the Indian context where cultural diversification is huge we need to retest the same. So, our first proposition is

Proposition 1: The variables brand reputation, relevance, personality, performance, and brand relationship may be positively related to brand identity.

Rise of Retailer as Brand:

In retailing one of the important trends is the rise of retailer as a brand (Grewal, D. 2004). Emerging markets

like India is experiencing a radical change in the retail industry as a result of which we see organised retail stores are coming up both in metros and smaller cities (Pattanaik and Mishra, 2016). Some of the retailers like reliance fresh, big bazaar have developed strong private level merchandise that an average consumer fails to make a distinction between store and brand. Thus, understanding the image of a retailer as a brand how this impacts its loyalty are important issues which needs to be addressed both by the retailer as well as the manufacturer.

Brand Image:

Brand image as defined by Kotler (p 197) is "a set belief which is attached to a particular brand". Gardner and Levy (1955) proposed that brands have an overall personality or character which may be more important to consumers as compared to the technical facts of the product. Kapferer (2004) defined brand image as how the decoding of all signals done by certain groups which from the products, services and communication covered by the brand. Brand image is the result of decoding a message followed by extracting the meaning and finally interpreting the signs (Nandan 2004). However not to forget it is the brand identity which creates major competitive advantages, it is the recognition of a brand that encourages repeated purchases. Hence a brand act as signals to customer and protects them from "me-too" products which look identical. Importance of brand image is that it creates value for the manufactures in at least five ways (Aaker, 1991). First, first brand image helps to retrieve and process information. Second different ion and positioning of product can be done on the basis of brand image. Third as brand image involves the product attributes and customer benefits it provides the customers the reason to buy and use a product. Fourth the association created as a result of brand image produces positive attitudes and feelings that are transferred to the brand. Finally, the brand image produces the basis for product extension by creating a sense of fit between the brand and the new product or it also gives the reason why to purchases that product.

Retail Store Image:

The concept of retail store image came out in Pierre Martineau (1958) "personality of the retail store.". Since than there has been thoughts and feelings associated with stores by the consumers and these overall impressions strongly influence the shopping and patronage behaviour (Porter and Claycomb,

1997). Keaveney and Hunt (1992) defined store image as an overall impression of a store as perceived by consumer. Store image is also defined as individual's cognitions and emotions which are inferred from the perceptions of memory inputs which are attached to a particular store and also represents the significance of the store to that individual (Baker et al., 1994; Mazursky and Jacoby, 1986). Retail image is defined as the combination of store's functional qualities and the psychological attributes that the consumers link to these. Store image exact dimensions varied over the years but the well-known categorization attributes consisted of combination of functional and psychological attributes. For example, some of the common dimensions we identified are: fashion, selection, and quality of merchandise; customer services and sales personnel; and the physical conditions and atmosphere of the store (Rich and Portis, 1964; Lindquist, 1974-1975; Martineau, 1958; Zimmer and Golden, 1988).

Relationship between Brand Identity and Retail Store Image:

It is also found that Brand Identity positively related to Brand Image (Sääksjärvi & Samiee, 2011) According to (Keller & Kelvin, 2003) Consumers first interpret the firm's identity and then translate into an image. Actually, Brand Image a mental construct is a reflection of brand identity (Chernatony & McDonald, 2003). They also mention that Brand Identity is designed and communicated to outside world by a signal which is term as Brand Image. One of the important trend in retailing is the rise of retailer as a brand (Grewalet.al., 2004) which has also been described above. Retailers have developed their strong brand name over the years that a customer rarely makes a distinction between a store brand and a national brand. Thus, retailer act as brands and their image is coined as store image. So, from above discussion we propose that brand identity is positively related to store image

Proposition 2: Brand Identity may be positively related to Store Image.

Store Image attributes/ variables:

According to (P. Martineau, 1958) customer assesses store within the framework of a multidimensional benefit function. Concrete (selection, product quality, price etc.) and abstract (atmosphere, personnel service, ease of shopping etc.) attributes which form store image undertake a functional role. Different researchers have focused upon varying attributes of store image and indicate the factors which affect it fall into

two broad categories – utility and the impression oriented made (Saraswat and Mammen, 2010). The former has been understood as the “functional” quality (Martineau, 1958), and “tangible aspect” (Barr and Field, 1997) while the latter as the “psychological” (Martineau, 1958) and the “intangible aspect” (Barr and Field, 1997).

The utility, functional and tangible aspects are referring to a store's physical functions such as store merchandise, store atmosphere and value while impression oriented, psychological and intangible aspects are referring to the consumers intangible feeling that a store delivered to its consumers such as service, clientele, and convenient (Saraswat and Mammen, 2010).

Store Merchandise: It is one of important attribute of store image, and it depends on some other sub attribute like price of merchandise, quality of merchandise, assortment of merchandise and fashion of merchandise (Saraswat and Mammen, 2010).

Store Atmosphere: One important attribute of store image is store atmosphere. As per (Theodoridis and Chatzipanagiotou, 2009) store atmosphere refers to the environment that is created by combining a set of visual elements of physical store environment (displays, colour, decorative features etc.) and stimulation of senses (smell, condition of the air, music, lighting) enabling an aesthetic consumer response. Stores which has a favourable atmosphere will be affecting the time the consumer spend in store as well as the amount spent, which means it will increase positive buying experience and customer satisfaction (Babin and Darden, 1996).

Store Value: As per (Berry, 1969) Value refers to the learned reinforce in term of which an individual act i.e. rewards contingent upon behaviour. (Chang and Wang, 2014) Gives the store price value image which defined as an outcome of a trade-off between sacrifices and utilities derived from product and store attributes in retail setting (Zielke and Stephan, 2006).

Store Service: Store service include sales personnel service, loan service, and other services like delivery, order, ease of returning the product etc. (Saraswat and Mammen, 2010; Rich and Portis, 1964).

Store Clientele: (Martineau, 1958) suggested that there is no such thing as a store image with equal appeal for all income groups, all social classes, all ages, all type. It means every store has different clientele. Keeping different personality of customers in mind (Rich and Portis, 1964) conclude that stores attract different type of

clientele means customers who identify themselves with different social class may choose the store which has a differing status from other stores.

Store Convenient: Store convenience refers to a store layout and design, which helps customers plan their trip in terms of orientation and direction (Theodoridis & Chatzipanagiotou, 2009). They also refer that a successful layout of a store depends on whether it has a clear and legible concept; i.e. one can easily find 6 products and find them the first time on different trips. Similarly, (Spies et al 1997) also indicate that information posters and signs can contribute to the concept of store layout design in creating a favourable and attractive store environment. Store convenient also include location convenience (Berry, 1969).

Store image provides value-added benefits to the shoppers, once customers are start feeling comfortable, they will begin to accept the store which is in tune with their lifestyle and reflect their taste and requirement (Saraswat and Mammen, 2010). So (Martineau, 1958) considered the store image attributes a source of competitive differentiation. From above discussion, we can write a following proposition.

Proposition 3: The attribute store merchandise, atmosphere, value, service, clientele, and store convenient may be positively related to store image.

Influence of store image on store loyalty:

In traditional terms store loyalty is described as a single behavioural characteristic. This definition however measures the patriotism towards only one store as a percent of total purchase (Lessig 1973). As a consumer interacts with more than one store in purchasing a given product, a single behavioural measure doesn't give a complete picture of store loyalty. So, in order to consider store loyalty score across stores we have to simultaneously characterize the different measure we want to incorporate. For example, first we have to take the percentage of household shopping done at X store. The second and the third measure is to express the purchase being made at Store X and the Co-op stores (Store Y where heavy discount is offered and another Co-op is a store where members are offered a special discount although non-members can purchase. To become a member, you have to pay a special price). The fourth and final purchase was that made at the local grocery store. Now instead of obtaining separate measure for each of these local markets a single measure which can express the percent of a household's total purchases

made and the favourite of remaining small neighbourhood (V. Parker Lessig 1973). When taken collectively the four measures indicate the consumer's patronage towards each of the store he visited. To understand the true nature of store loyalty all the four measures were has to use because each contributed information is relevant for store loyalty. Thus, we can propose

Proposition 4: Store image may positively influence the store loyalty.

Discussion and Conclusion:

It is found from the above conceptual analysis that brand identity may positively influence the store image in multi brand store. Similarly, all the important variables of brand identity i.e. reputation, relevance, personality, performance, and relationship may also be positively related to brand identity. So, it means if retailers want a clear brand identity in consumer's mind they have to work on all important variables of brand identity so that consumers must get the best performance and match with their personality with the chosen brand. Gone are the when command was with the marketers. With the open up economy in India the customer has become the king. Tough competition with fast changing marketing scenario along with brand switching has really made it difficult on the part of the marketer to really find brand loyal customer. Thus, higher the strength of the relationship between brand identity and store image it will definitely lead to higher store loyalty. An organisation having all the good network, superior products etc also sometimes fails to convey the core benefits of its product. Value of any firm or its customer can only be created there is a proper understanding between the message originating from the firm is properly understood by its customer. Thus, brand identity is a company specific variable which send an encode message which is decoded by customer in the form of its store image and finally end in store loyalty.

Managerial Implications:

Building and maintaining a brand image is the critical task for marketing managers as they need to consider lots of aspects to make the brand successful they added. A strong brand is one of dominant tool in the market to have a sustainable competitive advantage which is essential for any business growth. Your brand identity will be repeatedly communicated, in multiple ways with frequency and consistency throughout the life of your business. The implication for marketing

managers and brand managers is that; Brand identify created by any organization may not be perceived the same way by the consumers. The congruency between brand image and retail store image cannot be taken for granted. Thus, it the responsibility of the brand managers to strengthen this linkage so that the next process of store loyalty to take place. It is only then the retail store can create value for its customers and then increase their store loyalty. Thus, this conceptual paper provides a conceptualisation of brand image, retail store image and finally store loyalty that can applied in both fields of branding as well as relationship marketing for maintaining higher degree of the relationship strength

Limitations:

Since the paper is a conceptual analysis empirical evidence would provide robustness by accepting or rejecting the proposed propositions. Alternative effects between brand identity, retail store image and store loyalty must be examined with the rival models in order to describe the construct link. The other factors such as behavioural targeting; overlap between real and virtual market place; increase in consumer related information services; barriers for new entrants; cultural aspects; role of media, internet marketing and mobile marketing; technological competence, brand extension etc has not been taken into account which otherwise could have affected our results. The proposed conceptual framework can be tested with profiles of differential consumption pattern namely both loyal users of the brand as well as new consumers to test the degree of perceived store loyalty. The same framework can be tested with products of high involvement as well as products of low involvement.

References:

- Aaker, D. (1991). "Managing Brand Equity: Capitalizing on the Value of a Brand Name", New York, The Free Press.
- Aaker, D. and Keller, K.L. (1996). "Building Strong Brands". New York: The Free Press.
- Babin, B. and Darden, W. (1996). "Good and Bad shopping vibes: spending and patronage satisfaction". Journal of business research, Vol 35, No. 3, pp. 201-206.
- Babin, B., et al. (2003). "Color and shopping intentions: the intervening effect of price fairness and perceived affect". Journal of business research, Vol 56, No. 7, pp. 541-552.
- Baker J., et al. (1994). "The influence of store environment on quality inferences and store image". Journal of Academy of Marketing Science, Vol 22, No.4, pp. 328-339.
- BanuKulterDemirgunes (2014) "The Antecedents of Store Image and Customer Satisfaction". International Journal of Research in Business and Social Science, Vol. 3, No. 3, pp. 48-62.
- Beristain, J. J., & Zorrilla, P. (2011). "The relationship between store image and store brand equity: A conceptual framework and evidence from hypermarkets". Journal of Retailing and Consumer Services, Vol 18, pp. 562-574,
- Berry, L. L. (1969). "The component of department store image: A theoretical and empirical analysis". journal of retailing, Vol 45, No.1, pp. 3-20.
- Bloemer, J., & Ruyter, K. d. (1998). "On the relationship between store image, store satisfaction and store loyalty". European Journal of Marketing, Vol 32, No. 5/6, pp. 499-513.
- Bosch, J., et al. (2006). "The impact of brand identity on the perceived brand image of a marged higher education institution: part one". Managment dynamic, pp10-29.
- C.Fomburn, & V.Rindova. (1996). "working paper: who's top and who decides? The social construction of corporate reputation". New york : Stern Business school; New york university.
- Chang, N., & Fong, C. (2010). "Green Product Quality, Green Corporate Image, Green Customer Satisfaction, and Green customer loyalty". African Journal of Business Management, Vol 4, No. 13, pp. 2836-2844.
- Chang, S.-H., & Wang, K.-Y. (2014). "Investigating the Antecedents and Consequences of an Overall Store Price Image in Retail Settings". Journal of Marketing Theory and Practice, Vol 22, No 3, pp. 299-314.
- Chernatony, D., & McDonald, M. (2003). "Creating powerful brands in consumer, service and industrial markets". Butterworth-Heinemann: Oxford.
- Chernatony, L. d. (1999). "Brand Management through Narrowing the Gap between Brand Identity and Brand Reputation". Journal of Marketing Management, Vol 15, No. 1, pp.157-179.
- Copley, P. (2004). "Marketing communications Management; concepts and theories, case and practices". Oxford, Elsevier.

- Hameed, F. (2013). "The Effect of Advertising Spending on Brand Loyalty Mediated by Store Image, Perceived Quality and Customer Satisfaction: A Case of Hypermarkets". *Asian Journal of Business Management*, Vol 5, No. 1, pp. 181-192.
- Harris, F., & Chernatony, L. D. (2001). "Corporate Branding and corporate Brand performance". *European journal of marketing*, Vol 35, No. 3/4, pp. 441-456.
- J.L.Aaker. (1997). "Dimensions of Brand Personality". *Journal of Marketing Research*, Vol 34, No. 8, pp. 347-356.
- Jena, A. K., et al. (.). "Impact of Brand Identity on Brand preference with brand Image Acting as a mediator: A Conceptual Analysis". *Talent Management, The next Agenda*, 28-40.
- Keaveney, S., & Hunt, K. (1992). "Conceptualization and operationalization of retail store image: a case of rival middle-level theories". *Journal of Academy of Marketing Science*, Vol. 20, No. 2, pp. 165-175.
- Keller, & Kelvin, L. (2003). "Strategic Brand Management". New Jersey: Prentice-Hall.
- Kotler, P. (2005). "Marketing Management". Delhi: Pearson Education Pte. Ltd.
- Lessig, V. P. (1973). "Consumer Store Images and Store Loyalties". *Journal of Marketing*, Vol 37, No. 4, pp. 72-74.
- Martineau, P. (1958). "The personality of the retail store". *Harvard Business review* 48, (January- February), pp.47-55.
- Mazursky, D., & Jacoby, J. (1986). "Exploring the development of store images". *Journal of Retailing*, Vol 62, No. 2, pp. 145-165.
- Moharana, R.T., and Pattanaik, S. (2016), "Retail Sales Promotion in Indian Apparel Industry ", *Journal of Research Innovation and Management Science*, Vol 2, No.1, pp.28-34
- Osman, M. (1993). "A conceptual model of retail image influence on loyalty patronage behavior". *International Review of Retail Distribution and Consumer Research*, Vol. 3, No. 2, pp. 133-148.
- Pattanaik, S. and Mishra, B.B. (2016), "Evolution of Retail Industry in India " *Journal of Research Innovation and Management Science*, Vol 2, No.4, pp.51-55.
- Perry, A and Wisnom D. (2003). "Before the Brand: Creating unique DNA of an Enduring Brand Identity". New York: McGraw- Hill
- Peter, J., & Olson, J. (1994). "Understanding Consumer behavior". Irwin, Boston: MA.
- Porter, S. S., & Claycomb, C. (1997). "The influence of brand recognition on retail store image". *Journal of product & brand management*, Vol. 6, No. 6, pp. 373-387.
- Rich, S. U., & Portis, B. D. (1964). "The Imageries of Department Stores". *Journal of marketing*, Vol. 28, No. 2, pp. 10-15.
- Sääksjärvi, M., & Samiee, S. (2011). "Relationships among Brand Identity, Brand Image and Brand Preference: Differences between Cyber and Extension Retail Brands over Time". *Journal of interactive marketing*, Vol 25, No. 3, pp.169-177.
- Saraswat, A., & Mammen, T. (2010). "Building store brands using store image differentiation". *Journal of Indian Business Research*, Vol. 2, No. 3, pp. 166-180.
- Spies, K., Hesse, F., & Loesch, K. (1997). "Store atmosphere, mood and purchasing behavior". *International Journal of Research in Marketing*, Vol. 14, No. 1, pp. 1-17.
- Theodoridis, P. K., & Chatzipanagiotou, K. C. (2009). "Store image attributes and customer satisfaction across different customer profiles within the supermarket sector in Greece". *European Journal of Marketing*, Vol. 43, No. 5/6, pp. 708- 734.
- V.Barr, & Field, K. (1997). "Stores: Retail Display and Design". New York: PBC International.
- Zielke, & stephan. (2006). "Measurement of retailers: price images with a multiple- item scale". *International review of retail, distribution and consumer research*, Vol. 16, No. 3, pp. 297-316.