Consumer effect of Brand Experience on Brand Equity

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**Introduction:**
Consumer experiences are exploring the attitude towards the market. Hence most of the research has focused on effective product attributes and category experiences, not on experiences provided by brands i.e. consumer experience. Brand experience is conceptualized as sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli that are part of a brand’s design and identity, packaging, communications. Brand experience can be defined as the perception of the consumers, at every moment of contact they have with the brand. The marketing activities associated with the brand, effects the consumers "mind set" with respect to the brand—what they know and feel about the brand. The customer mind set everything that exist in the minds of customers with respect to a brand; thoughts, feelings, experiences, images, perceptions, beliefs, attitudes and so on, that is, brand equity.

**Objective:**
1. To study consumer effect of brand experience on creating brand equity.
2. To study measure impact of brand experience and brand image on brand equity.

**Hypothesis:**
We assume that *experience* with the brand along the SENSE, FEEL, THINK, ACT, and RELATE dimensions would have a similar effect on brand experience on brand equity the following hypotheses in the empirical research:

- **H₁:** There is a positive effect between the SENSE, FEEL, THINK, ACT and RELATE constructs the brand experience on creating brand equity.
- **H₂:** There is a relationship between the SENSE, FEEL, THINK, ACT and RELATE constructs the brand experience and brand image on brand equity.

**Research Methodology:**
The objectives of the study the research design keeping in scrutiny of the set along objectives, this explore create was adopt to cover accurateness and in vigour search of the research study. Existing secondary data was broadly use for the study. Research base on exploratory data. The researcher procures the required data through secondary method, different news articles, books which I were enumerated. The study is exploratory and qualitative in nature. Further the secondary data pertaining to the study is originated from various published sources, websites, industry reports and leading referred journals.

**Literature Review:**
Brand Experience & Brand equity is a concept born in 1980s. It has aroused intense interest among business strategists from a wide variety of industries as brand equity is closely related with brand loyalty and brand extensions. Brand can recognize by brand, sign, term, symbol, and
combination of them. Successful brands provide competitive advantages that are critical to the success of companies. However, there is no common viewpoint emerged on the content and measurement of brand equity. But companies are focusing on the branding and brand building of the products or company. Aaker (1991) the consumer’s implicit valuation of the brand in a market with differentiated brands relative to a market with no brand differentiation. Swaite et al. (1993) the differential effect of brand knowledge on consumer response to the marketing of the brand. Brand knowledge is the full set of brand associations linked to the brand in long term consumer memory. Kim et al. (2003). Holbrook and Hirschman (1982) identified new aspects of consumption which “seeks fun, amusement, fantasy”. They first introduce idea that spending also has besides rational apparatus-an experiential element. “Experience provides sensory, emotional, cognitive, behavioural, and relational value that replace the functional values” (Schmitt, 1999). Transition towards experiential marketing has occurred as a result of three major developments over the last year (chu et al). Firstly, advertising overexposure by traditional communication channels forces marketers to change their ways to gain consumers attention and reach them with their message. (Mortimer, 2009). Secondly saturation of markets has led to severe global competition. These complicate strategies that functional product benefits are becoming exchangeable. This complicates strategies for companies to differentiate on functional product feature (Fransen and Lodder, 2010). Pine and Gilmore (1998) claim that since “goods and service become commoditized, the customer experiences that companies create will matter most.” Thirdly, more and more consumers lead self-possessed lifestyle and look for pleasurable experience (Fransen and Lodder, 2010).

Brand Experience:

\[ H^1: \text{There is a relationship between the SENSE, FEEL, THINK, ACT and RELATE constructs the brand experience on brand equity.} \]

Researchers to develop operational typologies to scale and measure brand experience. “These dimensions provide a framework by which companies and brands can engage consumers in an experiential manner” (Sands 2008) Hirschman and Holbrook (1986) propose the THOUGHT-EMOTION-ACTIVITY-VALUE (TEAV) model with four dimensions as a framework: “THOUGHT” includes cognitive processing i.e. mental events; “EMOTION” involves feelings, expressive behaviour, and physiological response; “ACTIVITY” includes physical and mental events; “VALUE” includes evaluative judgements. Schmitt (1999), identifies five different types of experience: sensory experiences (SENSE), affective experience (FEEL), creative cognitive experience (THINK), physical experience, behavioural and lifestyle (ACT) and social experience that result from relating to a reference group or culture (RELATE). Brand experience is conceptualized as sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli that are part of a brand’s design and identity, packaging, communications, and environments (Brakus et al., 2009). Alloza (2008), brand experience can be defined as the perception of the consumers, at every moment of contact they have with the brand, whether it is in the brand images projected in advertising, during the first personal contact, or the level of quality concerning the personal treatment they receive. Brand experience is created when
customers use the brand; talk to others about the brand; seek out brand information, promotions, and events, and so on (Ambler et al., 2002).

The Brand Experience and Brand Image on Brand Equity

H²: There is a relationship between the SENSE, FEEL, THINK, ACT and RELATE constructs the impact of brand experience and brand image on brand equity.

Two types of designation of brand equity outlet; firstly, brand equity can be viewed from a financial perspective as a part of the financial value of the firm. Secondly, it can be seen from a consumer perspective where brand equity presents a value to the consumer. Although consumer-based brand equity has been researched since 1950s (Gardner and Levy, 1955), there was no clear definition until the 1990s. However soon after, the brand equity concepts developed by Aaker (1991) and Keller (1993). Aaker (1991) views brand equity as a set of assets or liabilities consisting of five dimensions: Brand awareness, Brand associations, perceived quality, brand loyalty and other proprietary assets. Keller (1993) defines brand equity as “the differential effects of brand knowledge on consumer response to the marketing of the brand”. According to him, brand knowledge consists of the categories brand awareness and brand image. Brand awareness can be further broken down into brand recall and brand recognition, with brand recall referring to the consumer ability to recover the brand memory when given the product category; whereas brand recognition measures previous exposure to a certain brand when given the brand as a reminder (Keller, 1993). Brand image is defined “as the perceptions of a brand as reflected by brand associations held in consumer memory” (Keller, 1993,) Brand Associations are usually different parts for measurement purpose. Keller (1993) classifies brand associations into three major categories: attributes benefits and attitudes. Attributes are descriptive feature that describe a product, benefits are the personal value consumers see in the product and attitudes are the consumers overall evaluation of the brand. Chirstodoulides and Chernatony (2010) define the brand equity as “a set of perceptions, attitudes, knowledge, and behaviors on the part of consumer that results in increased utility and allows a brand to earn greater volume or greater margins than it could without the brand”. It is apparent that customer based brand equity has multiple dimensions, Keller’s (1993) model of brand equity focuses on brand knowledge and its components – brand awareness and brand image. On the other hand Aaker (1991) suggested that brand equity have five dimensions brand loyalty, brand awareness, brand association, perceived quality and other brand proprietary assets, also Rūta and Juozas (2010) focuses on five dimensions brand image, brand loyalty, perceived quality, brand awareness and price.

Conceptual measure the brand impact of brand experience on brand image:

This study analysis the effect of experiential marketing (based on the dimensions SENSE, FEEL, THINK, ACT and RALATE developed by Schmitt, 1999) on brand equity developed by keller 1993 i.e. brand awareness (recall and recognition) and brand image (attributes, benefits and attitudes). Brand awareness, according to Keller (1993), consists of brand recall and brand recognition. Both types of brand awareness are created either by advertising or direct/indirect personal experiences with the brand. According to Hsieh, Pan, and Setiono (2004), "a successful brand image enables consumers to identify the needs that the brand satisfies and to differentiate
the brand from its competitors, and consequently increases the likelihood that consumers will purchase the brand" (p. 252). A company or its product/service which constantly holds a favourable image by the public, would definitely gain a better position in the market, sustainable competitive advantage, and increase market share or performance (Park, Jaworski, & MacInnis, 1986). In addition, several empirical findings have confirmed that a favourable image (i.e. brand, store/retail) will lead to loyalty (e.g. Koo, 2003; Kandampully & Suhartanto, 2000; Nguyen & LeBlanc, 1998), brand equity (Faircloth, Capella, & Alford, 2001; Biel, 1992; Aaker, 1991; Keller, 1993), purchase behaviour (Hsieh et al., 2004) and brand performance (Roth, 1995). Reynolds (1965) noted that "an image is the mental construct developed by the consumer on the basis of a few selected impressions among the flood of the total impressions; it comes into being through a creative process in which these selected impressions are elaborated, embellished, and ordered" (p. 69). Kotler (2001) defined image as "the set of beliefs, ideas, and impression that a person holds regarding an object" (p. 273). On the other hand, Keller (1993) considered brand image as "a set of perceptions about a brand as reflected by brand associations in consumer's memory" (p. 3). A similar definition to Keller's was proposed by Aaker (1991), whereby brand image is referred to as "a set of associations, usually organized in some meaningful way" (p. 109). Biel (1992) however defined brand image as "a cluster of attributes and associations that consumers connect to the brand name" (p. 8). Brand image has been conceptualized and operationalized in several ways (Reynolds & Gutman, 1984; Faircloth et al., 2001). It has been measured based on attributes (i.e. Koo, 2003; Kandampully & Suhartanto, 2000); brand benefits/values (i.e. Hsieh et al., 2004; Roth, 1995; Bhat & Reddy, 1998); or using Malhotra's (1981) brand image scale (i.e. Faircloth et al., 2001). Measuring image based on the above definition would help marketers to identify the strengths and

**Conclusion:**
As a consequence, consumer experience or brand experience has become of great interest to marketers. The study has given a positive impact of brand experience and brand image on brand equity. The value of a brand and thus its equity – is ultimately derived from the words and actions of consumers. Consumers decide with their purchases, based on the factors they deem crucial, which brands have more equity than others brand experience should be influence by the consumer point view. From the customer’s view, brand equity is part of the attraction for a company generated i.e. sense, feel, think, and act and relate by the "non-objective" part of the product offering not by the product attributes. From the company's point of view, a strong brand serves many purposes, including making advertising and promotion. Accordingly, we conceptualized brand experience as subjective consumer responses that are evoked by specific brand related experiential attributes.

**Reference:**
10. Research Methodology, 2nd ed. C.R.Kothari, Wishwa Prakashan, New Delhi