

# Impact of Brand Switching and Consumer Behaviour on Identifying New Brands

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**Abstract:** This study investigates the impact of brand switching on customer behavior and its implications for discovering new brands in the marketplace. Customers regularly switch brands due to the abundance of options and growing competition. They are swayed by several considerations such as price, quality, and marketing tactics. Customers who move brands frequently do so in search of innovation, better value, or compatibility with their own ideals. Furthermore, the significance of peer influence and social media in molding brand impressions is emphasized. The study's discussion of the ramifications for marketers hoping to draw in and keep clients in a changing environment in the study's conclusion highlights the significance of comprehending consumer behavior in relation to identity development and brand loyalty.

**Keywords:** Brand switching, Consumer behavior, Brand loyalty, Innovation, New brands, Social media influence.

## 1. INTRODUCTION

Any name, design, research, term, or symbol that, when used alone or in combination, sets one product apart from another in the eyes of the consumer is considered a brand. These days, the market is among the most unstable due to rising competition and change. Examining consumer brand switching behavior and illuminating the elements that impact consumers' decision to switch between brands is therefore becoming increasingly important. Based on this, this article examines the reasons that lead customers to switch brands as well as the mediating role that customer satisfaction plays in consumer brand switching behavior. Through a review of the literature, it was discovered that while product selection is a personal decision, there are a few universal elements that appear to affect customers'

brand-switching behavior.

Every theory of consumer behavior states that consumer awareness, preference, decision-making regarding purchases, satisfaction, and loyalty are the first steps in the behavior. In today's competitive global market, businesses are growing more and more concerned with retaining their current clients. Thus, the capacity of any firm to exist depends on its ability to comprehend the switching behavior of its customers. Customer switching is the process by which a consumer shifts their preference for currently offered goods or services and behaves differently toward a particular brand. A company's capacity to prosper depends on its capacity to satisfy its clientele, as they are the ultimate customers of all goods and services and will otherwise switch to other brands. Does the customer rule the market? Indeed, they own the final say. In order for all businesses to be closely monitoring the consumer for this reason, consumer research is essential.

## 2. LITERATURE REVIEW

ShaianKiumarsi.et.al., (2020) Brand switching is when a user changes from one brand to another during the second purchase of the same product category. The objective of the study was to examine the different factors affecting the consumer to switch brands. The data was collected through questionnaire from 395 respondents. Structural equation modeling method was used for analysis. It demonstrated the applicability of marketing mix factors, namely product price, place, promotion, and service, in explaining brand switching of smart phone brand.

DikdikHarjadi, Sifanurfatimah (2021)The development of today technology is rapid and

dynamic. Along with it, emerges the consumers growing needs and desires for technology. The objective of the study was to explore the reason behind brand switching and understand the perception of consumers. It employs descriptive and verification methods. If the product features, lifestyle and price increase it will increase the brand switching. Based on the results of data analysis that examines the effect of product features, lifestyle and price on brand switching it was found that these variables could predict the switch from one to another.

Firdaus, budiman(2021) Competition in the increasingly competitive business world provides opportunities for consumers to more freely choose the products they need or want. The objective of the study was to examine the brand image, price, variety has effect on brand switching. The data was collected through questionnaire. The data was analyzed through sampling technique. The experience of consumers in using the product creates a commitment to the brand. Companies need to pay attention to price compatibility in advertisement and promotions.

Jin Guo.et.al., (2021) In the contemporary era, the use of smart phones has become an integral part of the everyday life of customers across all demographics and globally. The purpose of the study was to examine consumer buying and switching behavior. The data was collected through self-administered questionnaire. The data was analyzed through Structural equation modeling (SEM). The smart phone industry is growing at a higher rate year on year with fast innovations and new inventions every now and then, creating an ever-increasing wider customer based for it.

Muhammad At-Thariq.et.al., (2023) The rapid pace of competition in the business world in the era globalization is occurring due to technological changes and the increasingly advanced flow of information. The purpose of the study was to examine the factors affecting the brand switching. The data was analyzed through non probability sampling technique. Based on the analysis and results, the price positively and significantly affects brand switching which means the smart phones is affordable by consumers influencing to change brands.

Ni made Candra Devi, Gedesuparna., (2023) Brand switching behavior refers to shifting behavior by a customer from one brand to another. The objective of the study was to examine the level of

awareness regarding the feature of cell phone among the consumers. The data was analyzed through the Non probability sampling technique. Customer equity has a positive and significant effect on brand switching.

## 5. OBJECTIVE

The objectives of the study are as follows:

1. To understand the variables that leads consumers to switch brands.
2. To understand consumer purchasing habits.
3. To understand the relationship between brand switching and consumer buying behavior. .

## 6. METHODOLOGY

The Research design used in the study was descriptive research design. The present study is based on the secondary data. The data's were collected from books, journals and articles.

## 7. BRAND SWITCHING

Within a product category, brand switching refers to the behavior of a consumer switching between brands. Many factors could be at play, including cost, accessibility, marketing campaigns, and shifts in customer preferences in addition to product quality and pricing. Brand switching refers to the choice a customer makes to purchase a product from a different company than their favorite. These consumers are different from brand agnostic consumers in that they usually make frequent purchases of products or services from a particular brand. For instance, a client who changes brands may choose to start purchasing spaghetti sauce from a different brand after ten years of using the same brand. A brand-agnostic consumer, on the other hand, might not take the brand into account while deciding regarding the products.

A fundamental change in customer behavior, brand switching is a reflection of shifting preferences, perceptions, and brand experiences. The days of consumers sticking with one brand were long gone; today, brand switching is a common occurrence driven by a wide range of circumstances. Customers constantly assess their options and are willing to transfer brands when they find a better fit, regardless of whether their decision is motivated by competitive pricing, unhappiness with an existing brand, or the

attraction of novelty.

#### A. FACTORS INFLUENCE FOR IDENTIFICATION OF NEW BRANDS

##### ➤ AFFORDABILITY

Customers often switch brands if a more affordable option for a product or service is available. When brand switching, they typically seek items that have a similar value to what they normally purchase. If the product or service a customer usually buys exceeds a certain price point, it may also lead to a brand switch.

##### ➤ QUALITY OF CUSTOMER SERVICE

Customers may start buying goods and services from a business if they believe it provides excellent customer service. Businesses will occasionally concentrate on enhancing customer service and announce the improvements to their customer service strategy in an effort to draw in the business of their rivals.

##### ➤ VARIETY

Customers will occasionally try a new product out of curiosity or a desire for variation from what they typically purchase. This is known by marketers as "brand fatigue." Brands frequently introduce new products into the retail sector to avoid brand fatigue. Variety is a key component affecting brand switching behaviors in today's diversified marketplace, which is marked by the availability of choices.

##### ➤ INNOVATION

As technology advances, consumer tastes for brands may also alter. When a company releases a product with new technology, customers of competitors may be persuaded to switch. If two companies are offering similarly priced, technologically advanced products, customers may also decide to purchase from the brand that offers a product with more features.

#### B. IMPORTANCE OF BRAND SWITCHING:

Within contemporary marketing, brand switching is a critical phenomenon that impacts customer behavior and modifies market dynamics. Customers moving from one brand to another within a certain product category is known as brand switching, and it is a significant phenomenon for companies, customers, and the market at large. Brand switching is driven by consumer behavior, which is the outcome of a complex interaction of environmental, emotional, and cognitive variables. Consumers transfer brands for a variety of reasons, including being disappointed with

a product's performance, seeking for a better deal, or simply succumbing to the novelty factor. Understanding these underlying motivations is essential for businesses trying to retain their current clientele while attracting new ones. Businesses can better serve the requirements and preferences of their customers by customizing their marketing strategy by understanding what causes consumers to switch brands.

#### C. ADVANTAGES OF BRAND SWITCHING

1. Switching to a different brand may result in better value for the consumers in terms of price, quality, features, or benefits. Consumers may find that another brand offers a product or service that better meet their needs or preference at a lower cost.
2. By changing brands, customers can obtain novel or cutting-edge goods and services that their existing brand might not offer.
3. As symbolic representations of people's values, personalities, and goals, brands enable customers to communicate their identities, express who they are.
4. It helps consumers to break up the monotony and discover novel stimuli that pique their interest and engage them.

#### D. DISADVANTAGES OF BRAND SWITCHING

1. When consumers think about switching brands, they also think about the costs involved. These costs consist of both monetary and non-monetary elements, such as the price of the goods and services associated with the new brand as well as the time and effort needed to find alternatives or become used to new features or functions.
2. Loyalty programs offer exclusive perks, points that may be collected, and compelling rewards, they can be an effective deterrent to switching brands.
3. A crucial factor to take into account when consumers are thinking about switching brands is the learning curve. It describes how much more time and effort people need to invest in learning how to use a new brand's goods and services than they do their current one.

## 8. CONSUMER BEHAVIOR

#### A. FACTORS INFLUENCE CONSUMER BEHAVIOR

**PSYCHOLOGICAL FACTOR:** A person's purchasing behavior is influenced when they are sufficiently motivated. Prediction of customer behavior, consumer perception plays a big role. A person gains further knowledge about a product when they purchase it. Experience accumulates over time and leads to learning.. People's opinions about a brand or product are frequently shaped by marketing campaigns, social media influences, and prior experiences.

**SOCIAL FACTOR:** A person's family greatly influences their purchasing habits. An individual is shaped by the position they occupy in society. If someone holds a prominent position, their purchasing habits will be significantly shaped by their status. A CEO of a company will make purchases based on his position, while staff members or other employees of the same company will have diverse purchasing habits.

**CULTURAL FACTOR:** Consumer purchasing behavior is significantly impacted by cultural factors. Cultural factors encompass the fundamental beliefs, requirements, desires, tastes, attitudes, and actions that a consumer watches and picks up from their close relatives and other significant individuals in their life. Every society on the planet has some sort of social class structure. In addition to wealth, other criteria like work, family history, education, and place of living also have a role in determining social class.

**PERSONEL FACTOR:** One important component influencing purchasing behavior is age. Younger folks make different purchasing decisions than middle-aged people. Higher income levels provide consumers more purchasing power. With more disposable income, a consumer is more likely to spend their additional money on luxury. A consumer's lifestyle has a big impact on their buying patterns. A customer that follows a healthy lifestyle, for instance, will purchase healthier goods rather than junk food.

#### **B. IMPORTANCE OF CONSUMER BEHAVIOR:**

The phenomena of brand switching, in which consumers go from being loyal to one brand to another is largely caused by consumer behavior. Businesses looking to hold onto clients and obtain a competitive edge in the industry must comprehend the reasons, catalysts, and trends underlying brand switching. This essay investigates the significance of consumer behavior in brand switching by looking at a number of

variables, including shifting preferences, discontent, and outside pressures.

The dynamic character of consumer trends and preferences which affect brand switching behavior is revealed by customer behavior. As societal, cultural, and economic factors change, consumer tastes can also and often do, in today's fast-paced market climate. Businesses must continue to be aware of these developments and adapt their strategies accordingly to prevent customers from switching to competing products. Through market research, surveys, and feedback channels, corporations may keep an eye on consumer behavior and adjust their goods to match changing wants. This allows them to predict shifting tastes.

Consumer behavior study explores the cognitive, affective, and rational elements that impact purchasing decisions, providing insight into the reasons behind consumers' dissatisfaction with their present brand or their search for alternatives. Businesses can decrease the possibility of customers switching to competitors by customizing their marketing strategy and product offerings to target certain pain areas or unmet needs. This can be achieved by recognizing these motives. For example, companies might focus on innovation and product improvements to win back customers if consumer research indicates that consumers are switching brands because they feel that the products are not innovative enough or of poor quality.

### **9. FACTORS INFLUENCE BRAND SWITCHING AMONG CONSUMERS**

**IDENTITY:** Identity is important when it comes to brand switching since customers tend to base their decisions on how they see themselves and how they are perceived by others. People change brands, and this causes them to redefine who they are in their social networks. Many things, such as evolving values, changing lifestyles, or a need for novelty, might cause this change.

**SATISFACTION** Dissatisfaction with a current brand's products, services, or overall experience is a common reason for brand switching. Customers may decide to switch if they find alternatives that better suit their interests and needs.

**PRICE:** Customers frequently look for the greatest deal when moving brands, therefore price plays a big role in their choices. Customers may move to less

expensive options when a brand's costs increase over what they consider to be fair.

**PRODUCT QUALITY:** Due to their desire for businesses that consistently create high-quality items, consumers' decisions to switch brands are significantly influenced by the quality of the products offered. Consumers may search for other companies with better quality control if they see a decline in a product's quality or encounter issues like defects or malfunctions.

#### 10. SUGGESTIONS

1. Carrying out market research to comprehend consumer preferences and behavior.
2. The effectiveness of superior items discourages brand switching.
3. Open communication and high-quality goods work to build a solid brand reputation and draw in customers who are dissatisfied with their existing brand.
4. Providing a customized experience facilitates brand discovery for customers, but it does not cause them to migrate to other brands.
5. Working with brand ambassadors or influencers draws customers who rely on their advice.

#### 11. CONCLUSION

A common occurrence in today's cutthroat market, brand switching has a significant impact on customer behavior and is essential to the recognition and uptake of new brands. The decision to switch brands is frequently influenced by a number of reasons as consumers make their way through a plethora of options, such as discontent with existing products, perceptions of the value of alternatives, and developing preferences. Businesses looking to gain market share and establish themselves as credible alternatives face both opportunities and challenges as a result of this ongoing flux. Companies hoping to thrive in this fast-paced market must comprehend the intricacies of brand switching and how it affects consumer behavior. Furthermore, consumers actively seek out new companies that provide greater value or more closely correspond with their evolving interests, so brand loyalty is no longer assured. Businesses looking to draw in and keep consumers in an increasingly competitive market must comprehend these dynamics.

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