



AN EMPIRICAL STUDY ON BRAND EQUITY AND CONSUMER PURCHASE DECISION MAKING

¹Mr. S. SREENIVASULU, ² BIRUSANTHILSATEESH BABU

¹Assistant Professor, ²MBA Student

Department of MBA

SVR Engineering College, NANDYAL

ABSTRACT

Brand equity plays a significant role in shaping consumer perception and influencing purchasing decisions in highly competitive markets. It represents the value that a brand adds to a product through consumer awareness, loyalty, perceived quality, and brand associations. Strong brand equity helps organizations build trust, differentiate their products from competitors, and create long-term relationships with customers.

The purpose of this study is to examine the influence of brand equity on consumer perception and buying decisions. The research focuses on understanding how different dimensions of brand equity, such as brand awareness, brand loyalty, perceived quality, and brand image, affect the attitudes and purchasing behavior of consumers. The study also explores how a strong brand presence can positively impact consumer confidence and preference while selecting products or services.

The research adopts a descriptive research design and uses primary data collected through a structured questionnaire from consumers. Secondary data has been collected from journals, articles, books, and online sources related to branding and marketing. The collected data is analyzed using statistical tools such as percentage analysis and tabular interpretation to understand the relationship between brand equity and consumer buying behavior.

The findings of the study indicate that consumers tend to prefer brands with strong reputation, high quality perception, and positive brand associations. Brand loyalty and brand awareness significantly influence the purchasing decisions of consumers. The study concludes that companies must focus on strengthening their brand equity through effective marketing strategies, consistent product quality, and strong customer engagement to enhance consumer perception and encourage repeat purchases.

I. INTRODUCTION

Brand equity refers to the **value a brand name adds to a product or service based on consumer perceptions, recognition, and loyalty toward that brand**. It represents the strength and influence of a brand in the marketplace and the extent to which customers prefer it over competing brands.

Brand equity is built over time through **consistent product quality, effective marketing, positive customer experiences, and strong brand image**. When a company has high brand equity, consumers are more willing

to purchase its products, often even at a higher price compared to lesser-known brands.

Key Components of Brand Equity

1. **Brand Awareness** – The degree to which consumers recognize and remember a brand.
2. **Brand Loyalty** – The commitment of customers to repeatedly purchase the same brand.
3. **Perceived Quality** – The consumer's perception of the overall quality or superiority of a product.



4. **Brand Associations** – The mental connections, feelings, and ideas consumers link with a brand.

Importance of Brand Equity

- Increases **customer loyalty and trust**
- Allows companies to **charge premium prices**
- Creates a **competitive advantage in the market**
- Enhances **brand reputation and long-term profitability**

NEED OF THE PROJECT

Brand equity is important for organizations because it helps in building a strong relationship between the brand and consumers. It creates customer trust and loyalty, which encourages repeated purchases and long-term commitment to the brand. Strong brand equity allows companies to differentiate their products from competitors and gain a competitive advantage in the market. It also enables businesses to charge premium prices due to the perceived quality and reliability associated with the brand. Moreover, high brand equity supports the successful introduction of new products, improves market share, and enhances the overall reputation of the company. Therefore, developing strong brand equity is essential for the growth, sustainability, and long-term success of any business organization.

SCOPE OF PROJECT

The scope of this project is to analyze the concept and impact of brand equity in influencing consumer perception and purchasing decisions. It focuses on understanding how brand awareness, brand loyalty, perceived quality, and brand associations contribute to building strong brand equity. The study also examines the role of brand equity in enhancing customer satisfaction, competitive advantage, and market performance. Additionally, the project evaluates how organizations use branding strategies to strengthen their brand value and maintain long-term relationships with

customers. The research is limited to studying consumer attitudes and the importance of brand equity in improving the overall performance and reputation of a brand in the market.

OBJECTIVES

- To understand the concept of brand equity and its importance in marketing.
- To analyze the factors influencing brand equity such as brand awareness, brand loyalty, perceived quality, and brand associations.
- To examine the impact of brand equity on consumer purchasing decisions.
- To study the role of brand equity in building customer satisfaction and loyalty.
- To evaluate how strong brand equity helps organizations gain competitive advantage in the market.
- To analyze the strategies used by companies to enhance and maintain brand equity.

II. RESEARCH METHODOLOGY

Research Methodology (Brand Equity)

The research methodology explains the methods and procedures used to collect and analyze data for the study of brand equity. This study is based on both primary and secondary data to understand the factors influencing brand equity and consumer perception.

1. Research Design

The study adopts a **descriptive research design** to analyze the concept of brand equity and its impact on consumer behavior.

2. Sources of Data

- **Primary Data:** Collected through questionnaires and surveys from consumers to understand their opinions about brand awareness, loyalty, and perception.
- **Secondary Data:** Collected from books, journals, research articles, websites, and company reports related to brand equity.

3. Sampling Method



A **convenience sampling method** is used to select respondents for the study.

4. Sample Size

The study is conducted with a sample of **around 100 respondents** to gather relevant information.

5. Data Collection Method

Data is collected using **structured questionnaires** distributed to consumers.

6. Data Analysis Tools

The collected data is analyzed using **simple percentage analysis, tables, and charts** to interpret the results.

LIMITATIONS

- The sample size taken is only 100 and as such is very small as compared to the universe, this is due to the constraints of time and effort, and as such may not be enough to generalize to the entire population, however it is presumed that the sample represents the universe.
- Respondents might have responded with the actual feelings of facts while giving responses to the questionnaire.
- Time being a limiting factor was not sufficient to gather opinions from majority of the respondents, who form part of the universal sample.
- While every care as been taken to eliminate perceptual bias from the side of the researcher and the respondents however certain element of bias might have set in to the research inadvertently.
- Since this study concentrated on Brand Equity towards Toyota Motors Limited(**Harsha Toyota**), no attempt was made to study other activities of the organization. Such as finance, human resource management etc.,

III. LITERATURE REVIEW

Chavadi et al. (2023)

This study examined the impact of social-media-based marketing on brand equity. The findings showed that social media activities significantly improve brand awareness, perceived quality, and

brand associations, which ultimately strengthen overall brand equity and consumer trust.

Sapna Nibsaiya & Manish Kumar (2023)

Their literature review on the FMCG sector concluded that brand equity strongly influences consumer behavior. Elements such as brand loyalty, brand awareness, perceived quality, and brand associations were found to shape purchasing decisions and customer preferences.

Ghobbe & Nohekhan (2023)

The study analyzed the relationship between green marketing strategies and brand quality. Results indicated that environmentally friendly marketing practices significantly improve perceived brand quality, which contributes to stronger brand equity and consumer trust.

Yazdi et al. (2024)

A bibliometric analysis of brand loyalty research found that emotional connection, social networks, and customer-brand identification are emerging themes influencing brand equity and customer loyalty in modern markets.

Sharma et al. (2024)

This study highlighted the role of emotional advertising in building strong brand perceptions. Emotional advertising creates positive consumer attitudes toward brands and strengthens brand equity through favorable brand associations.

Casanoves-Boix (2025)

Research on healthcare organizations showed that brand equity significantly affects public trust and service reputation. Strong brand equity improves customer satisfaction and institutional credibility.

Kencebay (2025)

This research found that brand equity mediates the relationship between sustainability practices and retail performance. Sustainable business strategies enhance brand perception, which leads to improved omnichannel performance and customer loyalty.

Zheng (2025)

The study integrated customer-based brand equity with the Theory of Planned Behavior to



explain consumer purchase decisions, especially in electric vehicle markets. It showed that brand perception significantly influences consumer adoption intentions.

Jewargi & Narasalagi (2025)

Their empirical study in the FMCG personal care sector identified major determinants of consumer-based brand equity such as perceived quality, brand awareness, brand loyalty, and brand associations, which influence long-term customer retention.

Smartphone Brand Equity Study (2025)

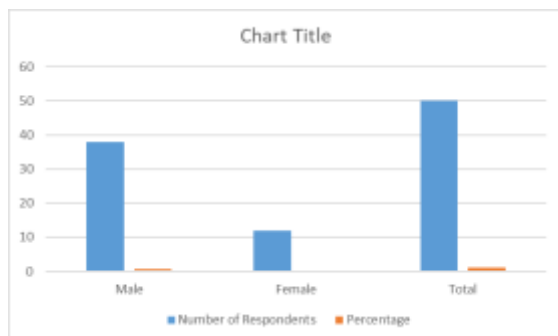
Research on smartphone consumers concluded that strong brand equity positively affects purchase intention and customer preference, indicating the strategic importance of brand management in competitive technology markets.

IV. DATA ANALYSIS & INTERPRETION

BRAND EQUITY ANALYSIS

1. Gender of Respondents

Gender	Number of Respondents	Percentage
Male	38	76%
Female	12	24%
Total	50	100%



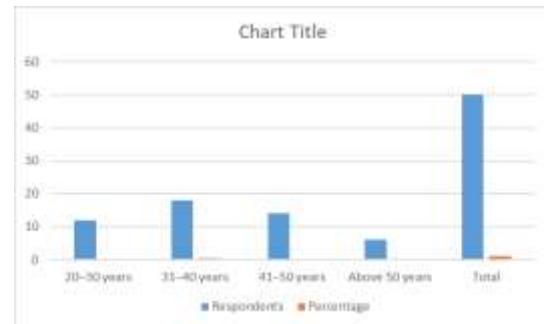
Interpretation

The above table shows that **76% of the respondents are male and 24% are female.** This indicates that male consumers form the majority of Toyota car buyers and respondents in the survey.

2. Age Group of Respondents

Age Group	Respondents	Percentage
20–30 years	12	24%
31–40 years	18	36%
41–50 years	14	28%
Above 50 years	6	12%
Total	50	100%

20–30 years	12	24%
31–40 years	18	36%
41–50 years	14	28%
Above 50 years	6	12%
Total	50	100%

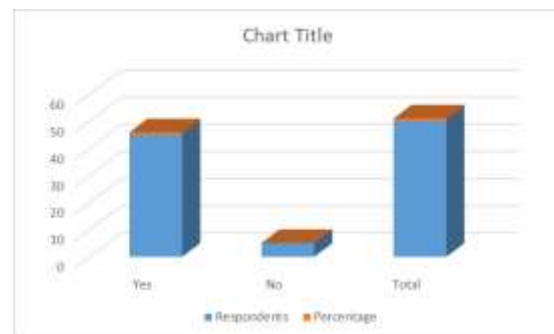


Interpretation

The majority of respondents (**36%**) belong to the **31–40 years age group**, indicating that middle-aged consumers are the major customers for Toyota vehicles.

3. Awareness of Harsha Toyota Brand

Response	Respondents	Percentage
Yes	45	90%
No	5	10%
Total	50	100%



Interpretation

From the above table, **90% of respondents are aware of Harsha Toyota**, which indicates strong brand awareness, a key component of brand equity.

4. Factors Influencing Purchase Decision

Factor	Respondents	Percentage
Brand reputation	18	36%



Quality & reliability	15	30%
Price	7	14%
After-sales service	10	20%
Total	50	100%

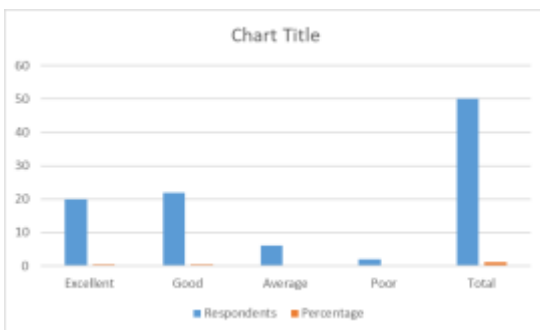


Interpretation

The table indicates that **brand reputation (36%) and quality (30%)** are the most influential factors affecting consumer buying decisions.

5. Perception of Toyota Brand Quality

Opinion	Respondents	Percentage
Excellent	20	40%
Good	22	44%
Average	6	12%
Poor	2	4%
Total	50	100%



Interpretation

The majority of respondents (84%) perceive Toyota vehicles as **excellent or good in quality**, which reflects strong **perceived quality**, an important dimension of brand equity.

V. FINDINGS, SUGGESTIONS, CONCLUSION

FINDINGS

- Majority of the respondents are male (76%), while 24% are female.
- The 31–40 years age group (36%) forms the largest segment of respondents.
- A high proportion of respondents (90%) are aware of Harsha Toyota, indicating strong brand awareness.
- Brand reputation (36%) is the most influential factor affecting purchase decisions.
- Quality and reliability (30%) also significantly influence consumers' buying decisions.
- 84% of respondents rate Toyota vehicles as good or excellent, reflecting strong perceived quality.
- 52% of customers believe brand equity highly influences their buying decisions.
- 84% of customers are satisfied or highly satisfied with Harsha Toyota services.
- 64% of respondents already own a Toyota vehicle, indicating strong brand adoption.
- 70% of respondents are aware of Toyota Motor services, while 30% are not aware.
- The majority of customers heard about Toyota through friends (40%), followed by advertisements (24%).
- Brand name (40%) is the major reason for choosing Toyota services.
- 80% of customers receive their orders on the same day, indicating efficient service delivery.
- 96% of respondents feel Toyota pricing is competitive compared with other brands.
- 80% of customers show loyalty to the Toyota brand (very loyal or loyal).
- 80% of respondents trust the Toyota brand (strongly agree or agree).
- 76% of respondents believe Toyota vehicles offer good or excellent value for money.
- Advertising moderately influences purchasing decisions for most respondents (40%).
- 60% of respondents are willing to purchase Toyota vehicles in the future.



- Toyota has the highest usage among respondents (50%) compared with other car brands.

SUGGESTIONS

- Harsha Toyota should continue strengthening **brand reputation and trust**, as these factors strongly influence consumer purchase decisions.
- The company should increase **advertising and promotional activities** to further improve brand awareness among potential customers.
- Harsha Toyota should focus on **maintaining high product quality and reliability**, which are key elements of Toyota's brand equity.
- The company should expand **digital marketing and social media campaigns** to reach younger consumers.
- Customer relationship programs should be improved to **enhance long-term customer loyalty**.
- Harsha Toyota should introduce **special offers, discounts, and finance schemes** to attract more customers.
- The dealership should further improve **after-sales service and customer support** to increase satisfaction levels.
- Awareness programs and promotional events should be organized to **educate customers about Toyota services and new models**.
- The company should focus on **quick delivery and efficient service processes** to maintain customer satisfaction.
- Harsha Toyota should regularly collect **customer feedback and conduct surveys** to understand changing customer expectations.
- The company should strengthen **word-of-mouth marketing**, as many customers learn about Toyota through friends and references.

- Toyota dealerships should continue providing **value-for-money products** to maintain competitive advantage in the automobile market.

CONCLUSION

“The Influence of Brand Equity on Consumer Perception and Buying Decisions – Harsha Toyota” reveals that brand equity plays a significant role in shaping consumer perceptions and influencing purchasing decisions. The analysis shows that a majority of respondents are aware of the Harsha Toyota brand and perceive Toyota vehicles as high in quality, reliability, and value for money. Strong brand reputation, product quality, and customer trust are the major factors that motivate consumers to prefer Toyota vehicles.

The findings also indicate that most customers are satisfied with the services provided by Harsha Toyota, which contributes to strong brand loyalty and positive customer relationships. Factors such as competitive pricing, efficient service delivery, and effective after-sales support further enhance customer satisfaction. Additionally, word-of-mouth communication and advertising play an important role in increasing brand awareness and influencing purchase intentions.

Overall, the study concludes that Harsha Toyota has successfully built strong brand equity in the automobile market. This strong brand image positively affects consumer perception and increases the likelihood of purchase decisions. By continuing to focus on product quality, customer satisfaction, and effective marketing strategies, Harsha Toyota can further strengthen its market position and maintain long-term customer loyalty.

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