Effect of Brand Loyalty on Purchase Intention:
The Study of Mobile Phone among Young Consumers

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Abstract

The primary purpose of any business is to enhance their efficiency ant the product effectiveness. As a result of this, brand loyalty seems to arise for a product. Brand loyalty helps a business to gain a lot of benefits. When the consumers are loyal towards a brand, they accept the product even if the price of that product is expensive, which ultimately leads to enhanced sales and increased profit for the business. The study presented here is a representation of the impact of brand loyalty on the purchase intention of young consumers towards the purchase of mobile phones in Chennai. The sample size was 115 and the sample respondents were selected through convenience sampling. Data for the study was gathered with the help of a questionnaire and the analysis of the same was done using regression. Findings of the analysis show that It was also reported that brand loyalty was seen to predict purchase intention. Findings show that the purchase intention of the young mobile phone users is highly influenced by their brand loyalty**.**

Keywords: brand loyalty, purchase intention, mobile phones

Introduction

The mobile phone industry is growing at a very fast pace with constant developments in handsets. This requires the need for creating relationship between the brand and the consumer (Franzakand Pitta (2011). This is essential to withhold the employees to be loyal to the brand and to avoid their switch over to other brands of mobile phones (Hoyer, MacInnis and Pieters (2013); Wang and Li (2012). The mobile phone brands refer to the brand names with the help of which the handsets are being identified by the consumers like Samsung, Blackberry, Nokia etc., (Fripp 2012).

The concept of purchase intention is the consumer's plan to purchase a product or engage in a service (Lu, et al,. 2014). Such a type of buying behaviour is forced by certain factors like needs or compulsions or the price of a product said Lu et al., (2014). The measurement of purchase intention can be done with the help of three aspects; periodicity, spontaneity and priority as reported by Ko and Megehee (2012); Anderson, Knight, Pookulanga, and Josiam (2014). The aspect of priority refers to the products which are given the highest priority like petrol; food etc. periodicity concept means how often is the usage of product is done by the consumer. On the other hand, the concept of spontaneity refers to the time period between the decision taken to buy a product and the actual time of purchase (Moore, 2014).

Statement of the Problem

The study done here is related with the problem of investigating the various factors which impacts the brand loyalty and the purchase intention of customers towards a product. Creation of brand loyalty offers a lot of advantages for the firms. The study done here is to identify the factors which help to create the product's brand loyalty.

Need for the Study

Brand loyalty had been reviewed by many scholars. But not many studies had been done to identify the relationship between the variables of purchase intention and brand loyalty. This research is an intention to fill such a research gap.

Objective of the Study

The main aim of this research was to examine the influence of brand loyalty on the purchase intention of mobile phones purchasers in Chennai.

Review of Literature

Danish, Rizwan and Khan, Muhammad and Ghafoor, Muhammad and Ahmad, Ishfaq and Humayon, Asad and Aslam, Saqib. (2018); the main aim of this study was to explore the impact of brand name, brand quality, awareness and price on the brand loyalty of the automobile product. The effect of brand loyalty on purchase intention of consumers was also checked in this

paper. The study was done in the South Asian context. The four variables affecting the brand loyalty were taken as the independent variables and the dependent variable was the brand loyalty. The type of study was correlation. The research design of this study was of a survey type. The respondents of the study were the automobile users of Bahawalpur, the oldest states of South Asia. Respondents were collected though random sampling. Questionnaires were given to 300 respondents and out of which 287 were got back and this was the sample size of the study. Analysis with the help of various statistical tools showed that brand awareness, name and quality had a positive influence on the brand loyalty. On the other hand, brand loyalty also was positively related with the purchase intention of the consumers.

Hameed, Shahid andKanwal, Munaza. (2018); the main aim of this paper was to explore the influence of brand loyalty on the customer's purchase intention. The factors which affected the brand loyalty were also explored in the study. Product, price, quality, promotion, price and store environment were the 6 factors that had an impact on the brand loyalty. Questionnaire was used to collect the data for the study. The sample size was 80 female customers of cosmetic items. The data was analyzed using linear regression. Findings of the study showed that the independent variables positively influenced the brand loyalty and also brand loyalty had a positive relation with the purchase intention of consumers.

Kambiz Heidarzadeh Hanzaee and Leila Andervazh (2012), this research is to investigate the relation among factors affecting brand loyalty and purchase intention by using cosmetic of female customers in Iran. Factors affecting of brand loyalty are price, design, promotion, service quality brand name, product quality, and store environment. A total of 408 questionnaires was distributed to female cosmetic consumers. This study using SEM with lisrel and visual PLS. The research result reveals that there is positive and significant relationship between factors of brand loyalty (brand name, product quality, price, design, promotion, and service quality and store environment) with cosmetics purchase intention.

Research Methodology

The size of the population taken for the study may be small consisting of a closed area. The sample population for the present study was the mobile phone users of Chennai. And particularly youngsters are the target population for this study. Convenience sampling was employed to select the respondents and questionnaires were given to collect the data needed for the study. The data so collected was analyzed with the help of regression done on the sample size of 115.

Analysis and Interpretation

Table1: Influence of brand loyalty on purchase intention
Model Summary

R	R Square	Adjusted R Square	F	Sig.
.744(a)	.554	.525	18.978	.000(a)

a Predictor: (Constant), Brand Loyalty

Table2: Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.773	.183		9.680	.000
I consider myself loyal to this brand	-.085	.040	-.185	-2.105	.038
I buy this brand whenever I can	.019	.046	.040	.424	.673
I buy as much of this brand as I can	.119	.037	.271	3.229	.002
I feel this is the only brand of this product I need	.257	.043	.560	5.946	.000
This is the one brand I would prefer to buy or use	-.010	.038	-.024	-.266	.790
If this brand was unavailable, it would be difficult if I had to use another brand	.014	.050	.025	.288	.774
I would go out of my way to buy this brand	.123	.043	.236	2.873	.005

a Dependent Variable: Purchase Intention

Findings show that all statement of brand loyalty was significant. The table also shows a positive coefficient, which means that between all the statements, three statements was not influence on the purchase intention of young customers in Chennai. There was a relation found between the dependent variable and the Brand Loyalty. The analysis done through regression exhibits that among seven factors three factors was not influence over the purchase intention of young customers. The coefficient value, R^2, was found to be 0.554 through multiple regression, which shows that 55.4% of the independent variables had an influence on the purchase intention of the young mobile phone users. In order to examine whether the value of coefficient (R^2) is significant or not, ANOVA was executed. The F value so got was 18.978 which means p<0.000. This finding shows that there was a significant relation between the dependent and the independent variable. It was also reported that brand loyalty was seen to predict purchase intention. Findings show that the purchase intention of the young mobile phone users is highly influenced by their brand loyalty.

Conclusion

There are many reasons for carrying out the current study. The first reason was to examine the impact of brand loyalty on the purchase intention of the customers towards the mobile phone purchase in Chennai. Mobile phone industry is selected for numerous reasons. First among them is that the consumer's brand involvement in mobiles is high; second one is the name of the brand is given a lot of significance and te third one is the brand quality which is of utmost importance. Consumers have the choice to switch over different brands of mobile phones. Hence the marketers have to frame strategies to withhold the consumers and making them loyal towards their brand. It was also reported that brand loyalty was seen to predict purchase intention. Findings show that the purchase intention of the young mobile phone users is highly influenced by their brand loyalty

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