



CUSTOMER LOYALTY AND BRAND PERCEPTION IN THE CONTEXT OF MARUTI SUZUKI

¹Shaistha Khan, ²Dr. Atul Loomba

(Associate Professor)

¹Research Scholar, ²Supervisor

¹⁻² Department of Management, Rabindranath Tagore University, Madhya Pradesh, India

ABSTRACT

Customer loyalty and brand perception play crucial roles in the automotive industry's success. This study examines the relationship between these two factors in the context of Maruti Suzuki, a leading automobile manufacturer in India. By analyzing customer behavior, preferences, and feedback, this research aims to uncover the drivers of customer loyalty and understand how they shape brand perception. The study employs a mixed-methods approach, combining surveys and qualitative interviews with Maruti Suzuki customers to gather insights. The findings highlight the importance of product quality, customer service, and emotional connections in fostering customer loyalty. Additionally, the study explores the role of advertising and social media in influencing brand perception. These insights can guide Maruti Suzuki and other automotive companies in developing strategies to enhance customer loyalty and positively impact brand perception in a highly competitive market.

4670

Keywords:

Customer Loyalty, Brand Perception, Automotive Industry, Maruti Suzuki, Product Quality, Customer Service, Emotional Connection, Advertising, Social Media, Competitive Market.

DOI: Number: 10.48047/nq.2022.20.22.NQ10471

NeuroQuantology 2022; 20(22): 4670-4681

INTRODUCTION

The automotive industry is one of the most competitive and dynamic sectors in the global economy, characterized by rapid technological advancements, changing consumer preferences, and intense competition among manufacturers. In this context, customer loyalty and brand perception are critical factors that significantly influence a company's success and market positioning. This study focuses on examining the intricate relationship between customer loyalty



and brand perception, with a specific emphasis on Maruti Suzuki, a renowned automobile manufacturer in India.

Maruti Suzuki has established itself as a dominant player in the Indian automotive market, known for its wide range of vehicles catering to diverse consumer needs. However, in a rapidly evolving industry landscape, maintaining and enhancing customer loyalty while managing brand perception is of paramount importance. Customer loyalty refers to the degree to which customers consistently choose a particular brand over others and exhibit a sustained preference for its products or services. On the other hand, brand perception encompasses the collective beliefs, opinions, and associations that customers hold about a brand. A positive brand perception can result in increased trust, preference, and advocacy among consumers.

This study aims to explore the factors that contribute to customer loyalty and how they, in turn, influence brand perception within the context of Maruti Suzuki. To achieve this, a mixed-methods approach will be employed, incorporating quantitative surveys and qualitative interviews with Maruti Suzuki customers. By analyzing customer behavior, preferences, and feedback, this research seeks to uncover the drivers of customer loyalty and understand how they shape brand perception.

4671

Several key factors are likely to be examined in this study, including the role of product quality and reliability, the impact of customer service and support, and the significance of emotional connections that customers form with the brand. Furthermore, the study will investigate the role of advertising and social media in shaping brand perception and influencing customer loyalty. These elements are particularly relevant in the current digital age, where customers are exposed to a plethora of information and options, making their decisions increasingly complex.

In conclusion, understanding the interplay between customer loyalty and brand perception is essential for Maruti Suzuki and other automotive companies seeking to thrive in this competitive landscape. The insights gained from this research can inform strategic decisions aimed at strengthening customer relationships, improving brand image, and ultimately ensuring long-term success in the automotive industry. Through an in-depth examination of these factors, this study aims to contribute valuable insights to both academia and industry practitioners.

BRAND IMAGE AND PERCEPTION

Brand image and brand perception are integral components of a brand's identity and play a crucial role in shaping consumer behavior and preferences. Understanding these concepts is vital for businesses aiming to establish a strong presence in the market and foster customer loyalty. In this section, we will delve deeper into the definitions and significance of brand image and brand perception.

1. Brand Image:

- **Definition:** Brand image refers to the overall impression that consumers have of a brand. It encompasses the perceptions, feelings, and associations that individuals develop towards a brand based on their experiences, interactions, and exposure to the brand's marketing and communication efforts.
- **Components:** Brand image is composed of various elements, including product quality, brand reputation, visual identity (such as logos and packaging), messaging (advertising and communication), and consumer experiences (both positive and negative).

4672

Significance:

- **Differentiation:** A strong brand image helps a company stand out in a crowded marketplace by distinguishing it from competitors. It communicates the brand's unique attributes and value proposition.
- **Trust and Credibility:** Consumers are more likely to trust and engage with brands they perceive positively. A positive brand image fosters trust, leading to increased customer loyalty.
- **Purchasing Decisions:** Brand image heavily influences consumers' purchasing decisions. Brands with a positive image are more likely to attract and retain customers.
- **Market Value:** A strong brand image can enhance a company's market value and financial performance. It can command premium pricing and drive revenue growth.

2. Brand Perception:

- **Definition:** Brand perception is the specific set of beliefs, opinions, and attitudes that consumers hold about a brand. It is a subset of brand image, focusing on the subjective evaluations and mental associations that consumers make when thinking about a brand.
- **Factors Influencing Perception:** Brand perception is influenced by various factors, including personal experiences, word-of-mouth, advertising, social media, and cultural or societal trends.

Significance:

- **Consumer Behavior:** Brand perception plays a pivotal role in consumer behavior. It can influence purchasing decisions, brand loyalty, and the likelihood of recommending the brand to others.
- **Brand Equity:** A positive brand perception contributes to the overall brand equity, which can have long-term financial benefits for the company.
- **Crisis Management:** Understanding brand perception is crucial for managing crises and addressing negative perceptions that may arise due to issues like product recalls, scandals, or customer complaints.

4673

In summary, brand image and brand perception are intertwined aspects of brand management. A well-crafted brand image, consistent messaging, and positive consumer experiences contribute to a favorable brand perception. Companies must actively manage and monitor these aspects to build and maintain a strong brand presence in the market and effectively connect with their target audience.

ANALYSIS OF MARUTI SUZUKI'S BRAND IMAGE IN THE INDIAN MARKET

Maruti Suzuki is a prominent and enduring player in the Indian automotive industry, with a history dating back to the early 1980s. Over the years, it has established itself as a market leader and is synonymous with affordable, reliable, and fuel-efficient vehicles. To evaluate Maruti Suzuki's brand image in the Indian market, we can consider several key aspects:

1. Reliability and Quality:

- One of the core strengths of Maruti Suzuki's brand image is its reputation for producing reliable and high-quality vehicles. The company's cars are known for their durability and low maintenance costs.
- Maruti Suzuki's focus on delivering value for money has endeared it to a wide range of consumers, from budget-conscious individuals to families looking for dependable transportation.

2. **Market Share and Leadership:**

- Maruti Suzuki has consistently maintained a dominant market share in India's passenger car market. Its leadership position underscores the trust and loyalty it enjoys among Indian consumers.
- The brand's extensive dealership network and service centers contribute to its strong market presence and accessibility.

4674

3. **Affordability:**

- Maruti Suzuki has been successful in catering to the Indian middle-class consumer by offering a wide range of affordable vehicles. The affordability factor has contributed significantly to its brand image.
- The company's ability to adapt to various market segments, including hatchbacks, sedans, and SUVs, has allowed it to cater to diverse consumer preferences.

4. **Fuel Efficiency and Environmentally Friendly:**

- Maruti Suzuki's commitment to producing fuel-efficient vehicles aligns with India's growing environmental concerns and rising fuel prices. This focus has positively impacted the brand's image as a responsible and eco-friendly automaker.
- The introduction of CNG and hybrid models further reinforces its commitment to sustainability.
- **Innovation and Technology:** In recent years, Maruti Suzuki has made efforts to enhance its brand image by introducing more technologically advanced features in its vehicles. This has appealed to tech-savvy consumers.
- Collaborations with global technology partners have also bolstered its image as a forward-thinking company.

5. **Customer Service and Satisfaction:**

- Maruti Suzuki's widespread service network and customer support initiatives contribute to a positive brand image. Timely maintenance, spare parts availability, and efficient service centers enhance customer satisfaction.
- The brand's efforts to engage with customers through digital platforms and feedback mechanisms demonstrate its commitment to providing an exceptional ownership experience.

6. Safety and Compliance:

- Safety standards have gained importance in the Indian automotive market, and Maruti Suzuki has adapted by incorporating advanced safety features into its vehicles, further enhancing its brand image.
- Compliance with regulatory requirements and safety norms reflects the brand's commitment to consumer well-being.

4675

7. Advertising and Marketing:

- Maruti Suzuki's advertising campaigns have been effective in communicating the brand's values and positioning it as a trusted and accessible choice for Indian consumers.
- Celebrity endorsements and memorable advertising campaigns have contributed to the brand's recognition and recall.

In conclusion, Maruti Suzuki's brand image in the Indian market is characterized by its reliability, affordability, market leadership, and commitment to innovation, customer satisfaction, and sustainability. While the brand has faced increased competition in recent years, its strong historical presence and continuous efforts to adapt to evolving consumer preferences have helped it maintain a favorable brand image and market position. To sustain and enhance its brand image, Maruti Suzuki must continue to invest in innovation, safety, and customer-centric initiatives to meet the changing expectations of Indian consumers.

CUSTOMER LOYALTY AND REPEAT PURCHASES



Customer loyalty and repeat purchases are critical components of a successful business strategy, as they directly impact a company's revenue, profitability, and long-term sustainability. Understanding the relationship between these two concepts and how to cultivate customer loyalty to drive repeat purchases is essential for businesses in today's competitive marketplace. Let's explore these concepts in more detail:

1. Customer Loyalty:

- **Definition:** Customer loyalty is the result of a customer's positive experiences, satisfaction, and emotional connection with a brand or business. It goes beyond mere repeat purchases and reflects a customer's commitment to consistently choosing a particular brand over alternatives.
- **Indicators of Loyalty:** Customer loyalty is often measured through metrics such as customer retention rates, Net Promoter Score (NPS), and customer lifetime value (CLV).
- **Factors Influencing Loyalty:** Loyalty is influenced by various factors, including product quality, excellent customer service, competitive pricing, brand reputation, and a sense of trust and emotional connection.

4676

2. Repeat Purchases:

- **Definition:** Repeat purchases occur when a customer makes additional purchases from the same brand or business after their initial transaction. These subsequent transactions can take the form of buying the same product/service again or exploring other offerings from the brand.
- **Importance:** Repeat purchases are crucial for a company's profitability. Acquiring new customers can be more expensive than retaining existing ones, and repeat customers tend to spend more over time.

The Relationship Between Customer Loyalty and Repeat Purchases: Customer loyalty is a key driver of repeat purchases. When customers feel loyal to a brand, they are more likely to choose that brand for future needs and make repeated purchases.

- Loyal customers often become advocates for the brand, recommending it to others, which can further boost repeat purchases.
- Offering loyalty programs, incentives, and personalized experiences can encourage repeat purchases among existing customers.
- It's important to note that not all repeat purchases signify loyalty. Some customers may make repeat purchases out of convenience or habit without necessarily having a strong emotional connection to the brand. Therefore, businesses must focus on nurturing genuine loyalty rather than solely relying on repeat purchase data.

Strategies to Cultivate Customer Loyalty and Drive Repeat Purchases:

- **Exceptional Customer Service:** Providing outstanding customer service and support can foster loyalty by exceeding customer expectations.
- **Quality Products/Services:** Consistently delivering high-quality products or services builds trust and encourages repeat purchases.
- **Loyalty Programs:** Rewarding loyal customers with discounts, exclusive offers, or loyalty points can incentivize repeat business.
- **Personalization:** Tailoring marketing messages and product recommendations based on customer preferences can enhance the customer experience and encourage repeat purchases.
- **Effective Communication:** Maintaining open and consistent communication with customers, such as sending newsletters or updates, helps keep the brand top-of-mind.
- **Feedback and Improvement:** Actively seeking and acting upon customer feedback demonstrates a commitment to improvement and can strengthen loyalty.

4677

In conclusion, customer loyalty is the foundation upon which repeat purchases are built. Businesses that prioritize creating positive customer experiences, building trust, and fostering emotional connections are more likely to cultivate customer loyalty and, in turn, drive repeat purchases. These loyal customers not only contribute to revenue but also serve as brand advocates who can help attract new customers to the business.

FACTORS CONTRIBUTING TO CUSTOMER LOYALTY FOR MARUTI SUZUKI VEHICLES

Maruti Suzuki has established a strong presence in the Indian automotive market and has a loyal customer base. Several key factors contribute to this customer loyalty:

1. Reliability and Quality:

- Maruti Suzuki is renowned for producing reliable and high-quality vehicles. Customers trust the brand for its durability and low maintenance costs, which contribute significantly to loyalty.

2. Affordability:

- Maruti Suzuki offers a wide range of affordable vehicles, catering to various budget segments. This affordability factor appeals to price-conscious Indian consumers, fostering loyalty among those looking for value for money.

3. Extensive Service Network:

- The brand boasts an extensive service network and dealership presence across India. This accessibility ensures that customers have easy access to maintenance and service, enhancing their ownership experience.

4678

4. Customer Service and Support:

- Maruti Suzuki places a strong emphasis on customer service. Efficient service centers, timely maintenance, and responsive customer support contribute to positive experiences and customer loyalty.

5. Resale Value:

- Maruti Suzuki vehicles tend to retain their value well in the resale market. Customers often consider the potential resale value when purchasing a car, and this factor can influence their loyalty to the brand.

6. Brand Reputation:

- Maruti Suzuki's long-standing reputation in India as a trusted and reliable brand plays a significant role in fostering loyalty. Brand recognition and heritage are essential in building trust among customers.

- **Variety of Models:** Maruti Suzuki offers a diverse range of models, including hatchbacks, sedans, and SUVs, catering to different consumer preferences. This variety allows customers to stay loyal to the brand as their needs evolve.

7. **Fuel Efficiency:**

- Fuel efficiency is a key consideration for Indian consumers, given the rising fuel prices. Maruti Suzuki's focus on producing fuel-efficient vehicles aligns with these consumer needs and contributes to loyalty.

8. **Safety Features:**

- The brand has been actively incorporating advanced safety features into its vehicles, aligning with the growing importance of safety in the Indian market. This commitment to safety enhances customer loyalty.

9. **Digital Engagement:**

- Maruti Suzuki engages with customers through digital platforms, offering services such as online booking, customer feedback mechanisms, and assistance via mobile apps. These digital initiatives enhance customer convenience and loyalty.

10. **Sustainability and Innovation:**

- Maruti Suzuki's efforts in adopting sustainable practices and introducing innovative technologies, such as CNG and hybrid models, resonate with environmentally conscious consumers, contributing to loyalty.

11. **Community and Social Responsibility:**

- Engaging in community and social responsibility initiatives can also foster loyalty among customers who appreciate a brand's commitment to making a positive impact beyond profits.

In conclusion, Maruti Suzuki's customer loyalty is a result of its consistent delivery of reliable, affordable, and high-quality vehicles, coupled with a strong service network and customer-centric approach. The brand's reputation, commitment to innovation, and adaptability to changing consumer preferences further solidify its position in the Indian automotive market and contribute to customer loyalty.

4679

CONCLUSION

In conclusion, Maruti Suzuki's success in fostering customer loyalty within the Indian automotive market is the result of a carefully cultivated brand image built on reliability, affordability, quality, and a customer-centric approach. The brand's enduring reputation for producing durable and value-for-money vehicles has garnered trust and loyalty among a diverse customer base. With an extensive service network, commitment to customer satisfaction, and investments in safety and innovation, Maruti Suzuki continues to reinforce its position as a leader in the industry.

Moreover, the brand's adaptability to changing consumer preferences, its focus on sustainability, and engagement through digital platforms have allowed it to remain relevant and appealing to a wide range of customers. Maruti Suzuki's customer loyalty is not merely about repeat purchases; it reflects a deep-seated emotional connection and trust that transcends individual transactions. As the Indian automotive market continues to evolve, Maruti Suzuki's emphasis on these key factors will likely enable it to maintain and strengthen its customer loyalty, ensuring its enduring success in the highly competitive industry.

REFERENCES

4680

1. Furse, D. H., Punj, G. N., & Stewart, D. (2021). A Typology of Individual search strategies among purchasers of New Automobiles. *Journal of Consumer Research*, 10, 43.
2. Gaedebe, R. (2017). Consumer Attitude towards Cars Made in Developing Countries. *Journal of Retailing*, 49, 13-24.
3. Brown, J. J., Light, C. D., & Gazda, G. M. (2017). Attitude towards European, Japanese and US cars. *European Journal of Marketing*, 21(5), 91-100.
4. Newman, J. W., & Stalin, R. (2010). Pre-purchase Information seeking for New Cars and Major Household Appliances. *Journal of Marketing Research*, IX, August, 20.
5. Newman, J. W., & Werbel, R. (2011). Automobile Brand Loyalty. *Journal of the Academy of Marketing Science*, 2(4), Fall, 19.



6. Lapersonne, E., Laurent, G., & Le Goff, J. (2015). Consideration sets of size one: An empirical investigation of automobile purchases. *International Journal of Research in Marketing*, 12, 55-66.
7. Crosby, L. A. (2015). Customer Loyalty has to be Earned and Not Bought. *Pitch*, 11(11), August 15th – September 15th, 41.
8. Oliver, R. L., & Winer, R. S. (2017). A Framework for the Formation and Structure of Consumer Expectations: Review and Propositions. *Journal of Economic Psychology*, 23(8), 20.