BRANDING AND CUSTOMER SATISFACTION

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Abstract

With the expansion of economies and globalization, many international brands have set their foot in the Indian market however this has led to competition among brands that are offering similar or identical products. Hence it has become the need of the hour for companies to make themselves stand apart and tell a story to connects best with their customer and satisfy their needs.

This study was carried out to investigate and understand the co-relation between branding activities undertaken by Adidas and its impact on customer satisfaction. The core objective of this study is to understand and brand the process influence of branding the reception customers towards the brand and vis-à-vis leading to customer satisfaction. And we'll also try to figure out how customer satisfaction will lead to brand loyalty.

Both primary and secondary sources of data were used in the research. While the primary data was collected through a survey (Google form) the secondary data was derived from published literatures and other online sources.

To summarise, the Adidas group has adopted a fantastic branding strategy to differentiate different brands

under the same umbrella. Adidas conveys a distinct brand identity, experiences, and

1. Introduction

"The basics of business is to stay as close as possible to your customers—understand their behaviour, their preferences, their purchasing patterns, etc..- Indira Nooyi, Ex-CEO PepsiCo said the above statement in an interview. The said statement emphasizes the importance of understanding the behaviour of the customer and tailoring your marketing activities to gain the trust of the customer.

In the recent past, we have seen that the market has become very competitive because of liberal business policies adopted by the Government the and availability of comparable products. This has led to brands focussing more on differentiating themselves to influence customer decision. More brands must understand what are the influential factors that lead leading customer loyalty and leads to enhance business performances.

performance of the study

This study was done to get more clarity on the statement made in the above paragraphs by understanding the role of branding in customer satisfaction. The objective of this study is to understand the role and process of branding to influence customer perception and gain their satisfaction, we'll also try to figure out how customer satisfaction will lead to brand loyalty.

Subsequently, this research deals with an academic insight into the branding process and how it impacts increasing the customer satisfaction. With the help of theoretical knowledge available in public domain and ever-expanding world of marketing and branding, it is then feasible to build the necessary relationships to the experimental approach: conducting a survey and exploring the co-relation between branding and customer satisfaction for Adidas.

Beside the theoretical knowledge, it is necessary to provide the person who reads this study with a comprehensive academic approach into the branding process. Once the academic studies were established only then it is possible to illustrate the importance of branding in customer satisfaction from a rational approach by doing a survey for the case company. The conclusion of this study is developed by a discussion

on the outcome of the survey.To complete this study both primary and secondary methods were used, mainly consisting of secondary data i.e. the literature review that are relevant and related to the topic and to understand the costumer phycology better a primary research by the way of conducting an online survey was also incorporated, which is available as the annexures.

1.2 Research Objectives

The objectives of this study from above stated purpose is to investigate the role branding plays in gaining customer satisfaction, furthermore we can divide this study to understand the three basic research questions that are as following:

➢ How can we define branding and customer satisfaction?

➢ What are the ways a company can adopt to build a strong brand?

➢ Factors that influence customer satisfaction.

1.3 Chapter Overview

The study is organised into five interconnected segments which are explained in Figure 1.

- Segment 1 is an introduction to the study. It summarizes the purpose and objective of the research.
- Segment 2 deals with the academic background. Its stresses on the development of branding.
- Segment 3 deals with related theories in the branding process and how to obtain customer satisfaction.
- Segment 4 illustrates the methods used in the data collection. It defines the key outcomes of the study and presents a discussion.
  - Segment 5 offers a synopsis with a critical evaluation of the method.

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Figure 1. Overview of the Study

2. Academic Background

After the succinct overview and the overall purposes of this study have been outlined, a academic insight into branding and customer satisfaction will be provided below. The subsequent chapters will provide the readers in obtaining a fundamental knowledge of the concept in order to enable them to answer the research questions:

2.1 Definitions

Aaker, David A. (1996, p. 7) defines a brand through the notion of brand equity as "a set of assets (and liabilities) linked to a brand's name and symbol that adds (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers." This definition of Aaker presents the important characteristic of a relationship between a customer and a brand, on the other hand, Kotler and Keller (2016, p. G1) defines a brand as "a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors." Kapferer, Jean-Noël (2012, p. 12). He has defined the brand as "a name that symbolizes a long-term engagement, crusade or commitment to a unique set of values, embedded into products, services and behaviours, which make the organization, person or product stand apart or stand out."

Now that we have defined and explained how different scholars view a brand, the question that we need to answer now is "What is branding". As per Kotler and Keller (2016, p. 323) branding "is the process of endowing products and services with the power of a brand." On the other hand, Kapferer, Jean-Noël (2012, p. 31) says that "branding means much more than just giving a brand name [...]. It requires a corporate long-term involvement, a high level of resources and skills to become the referent."

In this study we have defined a customer as "a person who buys goods or services from a shop or business (Oxford Dictionaries)." To ease the understanding of the reader we have defined the

term consumer as "a person who purchases goods and services for personal use (Oxford Dictionaries)." Both terms will be used the same way in this study.

The law of diminishing marginal utility defines that 'people get different level of satisfaction at different consumption level' and may have several different meanings, nevertheless, in this research we have defined satisfaction as "a person's feelings of pleasure or disappointment that result from comparing a product or service's perceived performance (or outcome) to expectation (Kotler & Keller, 2016, p. 153)."

Kotler and Keller (2016, p. 153) has elaborated customer satisfaction by the experiences of a customer with respect to the expectations. This can be highlighted with the definition that customer satisfaction "is a function of the experiential outcome in the context of the customer's expectations across brand touchpoints (Lockwood, 2009, p. 223)." The extent to which these requirements are fulfilled establishes the satisfaction in the case of consistency or dissatisfaction from inconsistency (Hill, Roche & Allen, 2007, p. 31).

2.1. Development of Branding

Branding as we know it is not new to the world. This can be established by the range of literature in the field of branding. Use of brand or branding can be traced back to thousands of years ago, where herders used to mark their animals with stamps or other identification marks. Brands as we know today have come a long way. In the beginning of 1970s, as we move from industrial era where products were pushed businesses began to think about their customers to move away from push strategy and to adopt the pull strategy. The brands of that time were developed to become story-telling brands with the aim to create a meaning for their consumers (Roper & Parker, 2006, p. 58).

This notion was further recognised, and relationship marketing came into existence. In order to establish a long-term and healthy association with their customers, marketers must generate opulence and mutual satisfaction among all stakeholders. A brand need to have a deep and better understanding of stakeholders' needs, goals, and desires in order to develop strong relationships with them. (Kotler & Keller,

2016, p. 43)

In the early 21st century, with the changing business environment the role of branding became even more critical. With all the technological advancement and accessibility, both the brands and the customers can get faster information and use digital platforms to interact with each other.

Along with these technological changes, the process of globalization was also evolving which leads to ease of entry in the market and therefore, raised the number of competitors. Subsequently, customers also have a better alternative of brands.

From the below mentioned examples as seen in Figure 2 and Figure 3 we can see that our society also plays an influencing factor on brands, the Top 10 of the Best Global Brands in the year 2000 and in the year 2022 we can see the enormous difference which is probably a result of the increased emphasis on customer satisfaction and on brand loyalty. With the digitalisation and emergence of social media, brands have evolved from being a mere storyteller to experience enablers to bring joy to the customers. Brands are using social media features i.e. "like, share, and comments" to create a positive experiences on the emotional and rational level.

Likewise, a direct communication with the customer turns out to be more and more valuable. Technology brands such as Apple, Amazon, or Microsoft use one of the best customer engagement strategies to their competitive advantage and are therefore under the Top 10 of the Best Global Brands in 2022.

Let us take example of Apple, they have managed to create the most loyal base of customers by emphasising on connecting emotionally with their customers at every touchpoint, be it the in-store experience or unboxing of a new Apple product. Another example of customer engagement

is the marketing and advertising campaign "Share a coke" from the brand Coca-Cola. The brand printed different names by using their signature font which look like their famous logo so that customers could share their moments, stories, and photos with the personalised bottles. This campaign generated lot of word-of-mouth marketing and created a deep emotional connection between Coca-Cola and its customers.

Kapferer (2012, p. 139) also recognizes the significance of correlation within branding and argues that the focus now is on building long-long-term relationships which involve deep emotional contacts and loyalty that leads to post-purchase activities. Therefore, businesses need to understand the importance of branding to gain customer satisfaction to increase their business performance.

Interbrand

Figure 2. Top Ten of the Best Global Brands 2000,

Figure 3. Top Ten of the Best Global Brands 2022, Brand Finance Global

On one hand, a brand works as the legal tool that safeguard the interest of the company by the means of copyright and trademark, which creates a bond between customer and the brand leading to brand loyalty. It empowers a differentiated marketing methodology and a direct relationship with the end customer. A brand also helps a business to expand their product portfolio by transferring the image from an established product to new products. Moreover, studies have shown that consumers are willing to pay higher prices when buying branded products.

On the other hand, a brand helps customers with the recognition and identification, which mean consumers can recognize and make a repetitive purchase of the products. Consumers can choose extremely prestigious brands and earn a status symbol. Additionally, branded products facilitate immediate feedback to the company which is particularly critical if customers are unhappy. It is also known that branded products are associated with superior quality and consequently ease the decision making for consumers.

As discussed above, a brand protects the legal copyright of companies which is nowadays even more important due to the increased counterfeit products that are available worldwide on the market. Counterfeit products are produced without any authority in the ownership and rights of, for example, trademarks, copyright, patents or design rights. The effect of these goods is huge. Kotler and Keller (2016, p. 259) say that "counterfeiting is estimated to cost more than a trillion dollars a year." However, counterfeiting has not only effects on the brand but also on customers and government. The potential effects of counterfeiting can be seen below in Table 1. (Kotler & Keller 2016, p. 259, OECD 2008)

Table 1 Principle potential effects of counterfeiting

Impact area		Principal potential effects
General socio–economic effects		
Innovation and growth	–	Reduction in incentives to innovate
	–	Possible negative effects on medium and long term growth rates
Criminal activities	–	Increase in flow of financial resources to criminal networks, thereby increasing their influence in economies
Environment	–	Substandard infringing products can have negative environmental effects
	–	Disposal of counterfeit and pirated products has environmental consequences
Employment	–	Shift of employment from rights holders to infringing firms, where working conditions are often poorer
Foreign direct investment	–	Small, negative effects on levels of foreign direct investment flows; possible effect on structure of foreign direct investment
Trade	–	Negative effects on trade in products where health and safety concerns are high
Effects on right holders		
Sales volume and prices	–	Reduction of rights holders' sales volumes
	–	Downward pressures on prices
Brand value and firm reputation	–	Erosion of brand and firm value
Royalties	–	Diminished flow of royalties due to rights holders.
Firm-level investment	–	Adverse implications for R&D and other creative activities
	–	Reduced firm-level investment
Costs of combating counterfeiting and piracy	–	Costs are incurred for: (1) investigatory work; (2) public awareness initiatives; (3) technical assistance to governments; (4) litigation to fight infringements; and (5) modifications to product packaging to deter counterfeiting and piracy
Scope of operations	–	Downsizing of rights holders operations
	–	Increased risk of going out of business
Effects on consumers		
Health and safety risk	–	Substandard products carry health and safety risks ranging from mild inconveniences to life-threatening situations
Consumer utility	–	Consumers who unknowingly buy counterfeit/pirated products are generally worse off
	–	Consumers who knowingly purchase counterfeit/pirated goods are generally not in a position to properly evaluate the quality of the product; there is substantial risk that utility will fall short of expectations
Effects on government		
Tax revenues	–	Lower tax and related payments (such as social charges) by rights holders
	–	Weak collection of taxes and related charges from counterfeiters/pirates
Costs of anti-counterfeiting activities	–	Costs are incurred for enforcement and public awareness initiatives, and for development and maintenance of legal frameworks
Corruption	–	Bribery and extortion of government officials to facilitate counterfeiting and piracy operations weaken the effectiveness of public institutions charged with law enforcement and related government activities.

OECD (2008): Examining the economic effects of counterfeiting and piracy, p. 134, http://www.oecd-ilibrary.org/trade/the-economic-impact-of-counterfeiting-and-piracy_9789264045521-en

3. Theoretical Approach

Now that we have defined the basic definitions and have clear understanding of terminology used, we will dive into more detail to understand the branding process with more elaborated topics and will also try to understand what customer satisfaction is and finally the corelation between branding and customer satisfaction.

3.1. Branding Process

For any brand to succeed in long term, the branding process is critical and can be defined by six distinct phases with both rational beginnings and endpoints. A synopsis of the branding process can be seen in Figure 4. The idea is to create a psychological structure that helps customer in recognising the brand in a way that impact their decision-making and provide value for the company, as well.
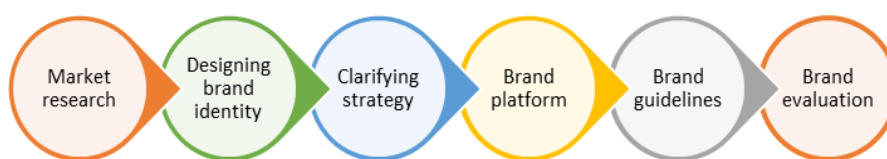

Figure 4. The Branding Process, Author's source based on Wheeler 2013, p. 102-103

3.1.1. Market Research

The basis of any research is to first understand the need of the business, the environment they are operating in which is impacting their business. Marketers undertake numerous research to understand the current scenario

in which the brand is sailing through, to understand about their customer profiles and the strategies adopted by competition brands.

Though there are many approaches available for marketer to understand the current scenario yet most of the marketers start their analysis with SWOT to determine strengths, weaknesses, opportunities, and challenges that are lying ahead of them.

Here we can also say that marketing research is the step-by-step approach of gathering, assessing, and interpretating of data that affects customer choices while buying or availing the products, services, and brands.

The first step of any research is to define the problem and identify the objective of the research. Next step of the research is whether to rely on already available data i.e. secondary research or to conduct a research on their own and use primary research methods or they can go with a hybrid method of using both the methodology for more effective outcomes. Primary data is the gathering of new data designed for a specific purpose or project, whereas secondary data is the collection of information that already exists. (Kotler & Keller, 2016, p. 124-125)

Primary data can be collected through surveys, focus groups, and observations etc.. Qualitative research uses an unstructured research method which uncovers customer thoughts such as opinion, beliefs, feelings, perception, and motives. However, qualitative research does have its shortcomings because the samples are often small, but it is a useful supplement tool to quantitative research.

On the other hand, quantitative research is conducted by keeping a larger samples size in mind to create statistically acceptable market data. The goal is to provide enough numbers from a large group of people who are asked the same questions and to quantify the results that is true for target market. The most common tool for doing quantitative research is to conduct online surveys. Marketers send an email to prospective respondents asking/ inviting them to take part in survey. A survey is useful if marketer wants to understand customer's perception towards their brand. Again, this method also has its own drawback as this method is

often expensive and time consuming.

3.1.2. Designing the Brand Identity

They say Rome was not built in a day and the same stand true for brands also, it takes a lot of effort and perseverance to build a brand that will stand tall for years and conquer all the barriers both internally and externally. In current scenario brands are not only competing with competitor but also from strong retailers who have bargaining power and can easily influence buyers' decisions.

Not just from offline brands are facing imminent threats from social media also, the ease of accessibility has given power to individual to either praise a brand or ruin the name forever. Furthermore, the ever-changing environment incites pressure on brands. A brand will be more at risk and will miss potential opportunities if they ignore these changed.

As difficult as it may sound, it is not impossible to build a strong brand. The first step of building a strong brand that is also the most important part is to understand how to develop a brand identity. The purpose of this exercise is to create and develop brand elements that add value create a differentiated identity and help the brand to stand out from its competitors.

Aaker (1996, p. 78-89) has developed brand identity model with 4 different perspectives and twelve dimensions. Aaker's model of brand identity planning can be seen in Figure

5. The four perspective of his model are as follows:

The brand as a product: Attributes of a product can be easily associated with brand and henceforth influence the consumer buying behaviour which in return can result to better or worse consumer experience. The first six dimensions are product scope, product-related attributes, quality/value, use occasion, users, and country/region. If we take these attributes one by one, we can easily say that each of the dimensions mentioned above have their own impact on consumer buying behaviour. Scope defines the desirable connections with product. Attributes can be directly link to the value proposition i.e. offering better experiences. Quality is often what customers are looking forward to. Use occasions help in establishing or owning a particular moment which will force competitor to take an alternative proposition route. Linking a

product with a user may lead to an aspirational stage which will generate more value for customers and lastly country/regions have their own significance on a product based on legacy and credibility of that region.

The brand as an organisation: In the recent past we have seen that marketers are shifting their attention from product to organisational attributes. Aaker elaborated organisation attributes and local/global as two dimensions. Attributes such as innovation, perceived quality, visibility, and presence can contribute significantly towards value propositions and customer relationships.

The brand as a person: In this perspective brand is projected as a human being having its own life. There are two dimensions in this perspective, i.e., personality and brand-customer relationship. As the name suggest personality is a distinctive feature of a brand that differentiate it from competitor's brand.

Brand as a symbol: This depicts your brand as a symbol in the mind of the customer and undertake all the values and beliefs that represent the brand. Aaker has further elaborated dimensions as visual imagery and legacy. A visual imagery is more unforgettable and can be easily recognised by customers and thus, making it easier to gain awareness.
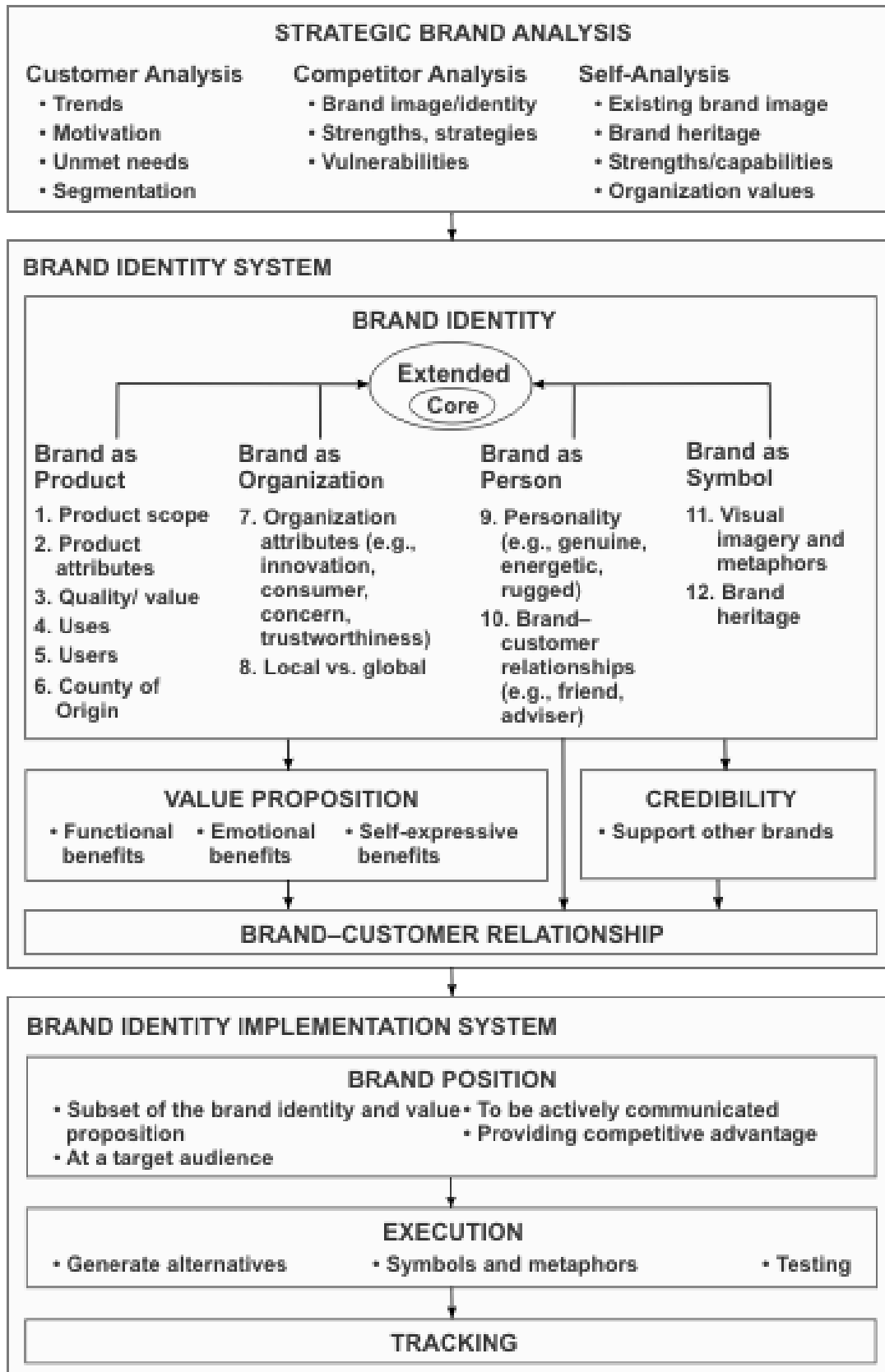
Figure 5. Brand Identity Planning Model, Aaker 1996, p. 79, Figure 3-3

3.1.3. Clarifying Strategy

Next step in the branding process is to get clarity on the chosen strategy. The idea behind this step is to lay stones for a desired future position and to make sure that the brand strategy supports the overall strategy. One critical thing here is the ever changing political and economic scenarios across the globe hence it become important for a marketer to have a clear strategy to tackle both short- and long-term hurdles.

Brand positioning is a process of differentiating one's brand from other competition brands available in market. Having a different positioning helps in breaking the clutter for a brand in the mind of the customers. It reflects perceptions that the business wants to have associated with the brand. The first step while defining brand positioning is to understand the competitive scenario and once, we establish the nuances of competition, we can create attributes that are unique to our brand which can have a positive impact on customers about the brand. In addition to that, companies must enable its resources to deliver the desired actions that are closely associated with the brand, to have a similar experience at every consumer touch point. The last criterion is that consumers must view the association as differentiating and distinctive factor in relation to competitors. The last step in the brand positioning process is to create a brand slogan which emphasises on the points-of-difference. The idea behind creating a brand slogan is to ensure that both the internal and external environment understand what the brand basically stands for and fundamentally represents.

Even before finalising the brand strategy, a company needs to determine brand portfolio that will represents the entire range of products which will defines the interrelationships between all brands. In general, a brand is built up in a hierarchy format (Figure 6). At the very top is the corporate brand which identifies the legal entity. The range brand also called family brand covers one entire product category. Beneath the range brand is the sub-brand which refers to one single product category. At the bottom of the hierarchy is the modifier which represents one version or model of the sub-brand. (Aaker, 1996, p. 239-252)
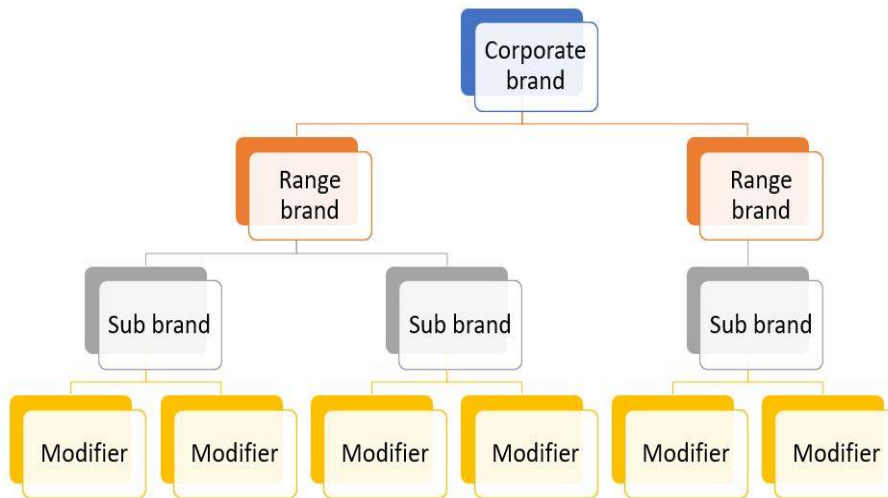
Figure 6. The Brand Hierarchy, Author's source based on Aaker 1996, p. 242, Figure 8-1; Davis 2010, p. 68, Figure 3-4

3.1.4. Brand Platform

Once the brand strategy in place, next in line is to put the creative hat on and start the process of transforming the brand from paper to real life. With the use of word, images, designs, and colour, brands can express themselves to their audiences.

The logotype and signature are the heart of any brand, therefore, they must be distinctive, memorable, flexible, and durable. It is important to develop a design system that works across all media to create a unified visual language that increases brand recognition.

Best example of this is the brand Coca Cola, they have a distinct logo type, a red swoosh and a font that are associated with Coca Cola for decades.

3.1.5. Brand Guidelines

Brand guidelines are the set of rules that defines the usage of brand property i.e. logotype, colour schemes, patterns or designs. This is also the fourth phase in the branding process and is very critical from marketer or brand manger's point of view. In other words, brand guidelines are Bible for brand managers and marketing agency which they have to imbibe in their day-to-day life while working on the brand development or marketing strategy. Brand guidelines defines the Dos and DONTs of the brand. This will help in maintaining the consistency in brand communications and imagery.

Once brand guidelines are established the process of launching the brand begins. Big corporates usually have multiple phases while launching a product. They'll first introduce it to internal audience and when the response is positive only then it is launched for a wider audience. The idea is to increase brand awareness among internal stakeholders which will help in having a positive outlook for the brand. Finally, a brand should always communicate its future goals, mission, and position so that employees become even more familiar with the new branding initiative. If the internal launch was successful, a brand can consider timing, key-message, media channels, and frequency for the external launch. (Davis, 2010, p. 197-200; Wheeler 2013, p. 196-199)

3.1.6. Brand Evaluation

While marketers are busy in developing other aspect of the brand it become important to measure the performance of the brand on a regular basis to understand it's contribution in the business strategy. Since brands are intangible, it is not easy to measure the performance of the brand. A brand can be evaluated according to two different approaches, customer based brand equity or financial based brand equity measurements.

Interbrand, a UK-based brand management firm has developed a brand value chain model which can be seen in Figure 7. The process begins with dividing the market into segments that

determine different customer groups. The next step is the financial analysis which assesses purchase price, volume, and frequency to calculate forecasts of future brand sales and revenues leading to economic earnings. Next, Interbrand identifies demand drivers and determines the role of branding based on market research. To receive the brand earnings, Interbrand multiplies the role of branding by the economic earnings. The following step is to assess the strength of the brand which relies on competitive benchmarking. For each segment, Interbrand determines a brand discount rate which is applied to the brand earnings and yields to the brand value. (Davis 2012, p. 48; Kotler & Keller 2016, p.337-
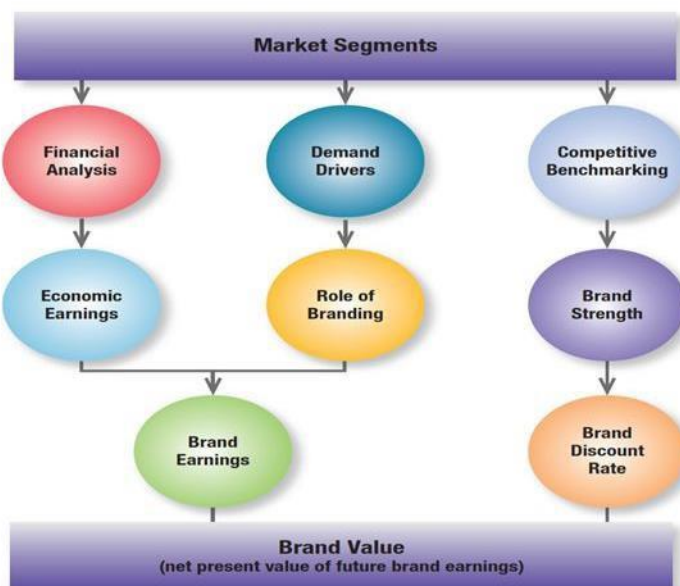
340)

Figure 7. Interbrand Brand Valuation Method, Kotler & Keller 2016, p. 340, Fig. 11.7

3.2. Brand Awareness

Brand awareness as we know it the ability to identify a brand by its name, image, logotype, and other attributes that can be associated with a brand. Achieving this is not an easy task as it requires consistency in communication and brand messages. It is one of the key indicators while measuring brand performance. Brand awareness can be measured through the

different ways in which a customer remembers the brand, ranging from brand recognition to recall to "top of mind" to brand name dominance. In a nutshell, brand recognition reflects a memory of past utilisation of the brand which results in more positive feelings.

Creating brand awareness is critical for a business as customers are being bombarded with ample information in their da-to-day activities be it scrolling through social media or listening to radio while travelling. The easier it is for a customer to recognise your brand the more effective your brand communications are.

3.3. Factors influencing a Brand

World as we know it today has multiple factors influencing a brand both internally and externally, however this study with focuses more on perceived quality, price and the value proposition to connect better with the customers.

Perceived quality as the name suggests the perception of the customer towards the brand, it also influences the financial performance of the business due to the fact that quality is often linked with strong brand. Another study uncovers that perceived quality is a major driver of customer satisfaction. Thus, when a brand invests in their perceived quality, their ROI will increase in turn. (Aaker, 1996, p. 17-20)

The price also plays a strong role in defining the brands. At different stage in their life customer will define prices in their own way. However, in general a higher price is considered as a symbol of high quality and in return may lead to higher customer

satisfaction. Whereas a lower price is often connected with inferior quality. This may not be true in real life, with the example of TATA Nano, we can understand that though the product was offered at a cheaper price it was not of inferior quality but it's the perception of the customers which resulted in downfall of the product.

Lats but not the least is the value proposition. There are several factors that influence the value proposition, some of them are functional, emotional, and self-expressive benefits which should drive consumer's purchase decision and hence, have an influence on the brand. Although, each customer has different roles and associated ideal self- images, a brand should deliver a concept to fulfil his or her need for self-expression in order to build long-term relationships. (Aaker, 1996, p. 95-103, p. 153-170; Kotler & Keller, 2016, p. 150-153)

3.4. Gaining Customer Satisfaction

3.4.1. Factors influencing Consumer Behaviour

Consumer behaviour can be defined as the process of how customer select, buy, uses the product or services to satisfy their needs and wants. We can also say that buying behaviour is inspired by characteristics of customers which are made up from cultural, social, and personal factors. A Model how consumers behave is illustrated in Figure 8. (Kotler & Keller, 2016, p. 179)
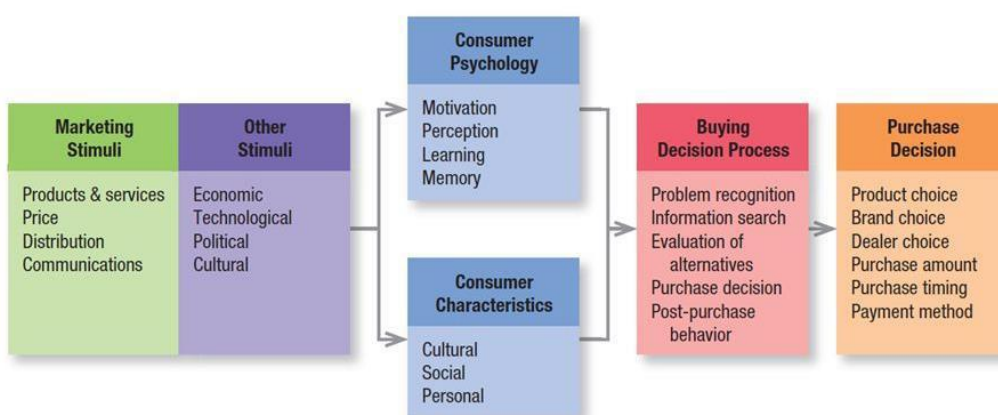
Figure 8. Model of Consumer Behaviour, Kotler & Keller 2016, p. 187, Fig. 6.1

- **Cultural factors:** We are all anchored with our culture and these culture plays an important role while buying or using product or services. Therefore, it is important for a marketer to understand the underlying cultural values before entering the market with a product pr services.

- **Social factors:** Human beings are social animals, and we require social approval from our peer groups i.e. family, friends and reference group. It can be said that family plays the most influential role in buying behaviour, simply because a person acquires an orientation toward religion, a sense of personal ambition, self-worth, and love. It is a fact that people choose brands that reflect and communicate their role and status within society. (Kotler & Keller, 2016, p.181-183)

- **Personal factors:** In addition to the above-mentioned factors, personal factors such as age, occupation, economic circumstances, and personality also influence customer decision.

The consumption of certain brands, services, and products is often related to the stage in a consumer's life cycle and personal needs. Occupation and economic circumstances also influence consumption patterns.

3.4.2. Customer Buying Decision Process

A consumer faces many challenges while buying a product or service, he or she normally go through five stages: problem recognition, information search, evaluation of alternatives, purchase decision, post-purchase decision.

- **Problem Recognition:** The first step in buying the recognition of the need. These problems or

needs are generated by external or internal factors. While internal factors arises when a customer reaches the threshold level, the external factors are often an influence from friends, family, and marketing information.

- **Information search:** Second step in buying decision process is doing the information search. This is crucial for the decision-making. If the requirement is urgent then customers go for active information search and vice versa.

- **Evaluation of alternatives:** Once the information is in place the next step is to evaluate the alternatives and compare them. In the expectancy-value model a consumer evaluates products and services by combining their attitudes and beliefs towards the brand. (Kotler & Keller, 2016, p. 197)

- **Purchase decision:** In the evaluation stage a consumer considers a preference among the brand choices which is called the purchase intention. However, intent to buy can be different from actual purchase as it can be influenced by external factors like financial constraints and attitude of the existing user towards the brands.

- **Post-purchase decision:** After the purchase is made, brand should supply beliefs that reinforce the consumer's choice and help him or her to have positive feelings about their choice. When the brand matches the customer's expectations, they are more likely to make a re-purchase and recommend it to others also.

3.4.3. Managing Customer Expectation

The word expectation can vary from one customer to another. However, as a marketer it is our responsibility to offer similar level of satisfaction to all customers. Expectation is influenced by

past experiences, and individual needs of the customer. Thus, expectations set the basis for customer satisfaction which, in turn, affects customer loyalty. In general, if the actual service received is different from the expectations a person brings with, customers are dissatisfied. Successful brands add benefits to their products not only to satisfy consumers but to surprise them by exceeding expectations to build long-term relationships. (Grönroos, 1990, p. 25-48; Kotler & Keller, 2016, p. 439-440)

3.5. Relationship between Branding and Customer Loyalty

Bill Gates once said: "*Your most unhappy customers are your greatest source of learning.*" It is not very often that a customer raises a compliant about the brand unless they feel connected with the brand, most of the time customer raises the complaints so that brand can improve their services, which indirectly refers to the fact that they want to use the brand again given that they improvise which in turn will lead to brand loyalty.

However, the question here is how can branding influence customer loyalty? The answer is through communication. Many a times customer learn about a product or services through communication. Making customer aware about the brand offering is the most important part in maintaining customer loyalty.

As mentioned above, customer loyalty is closely connected with customer satisfaction and that is established by the experiences a consumer has gained across the entire brand's touchpoints, from brand logo to advertising and packaging, from the product or service itself to communication and information channels.

The key to maximize customer satisfaction and gain customer loyalty is to first determine what customers expect and then deliver that expectation through great experiences.

4. Practical Approach: A Study about the Adidas Group

Now that we have defined the theoretical background on the process of branding in Chapter 2 and have also discussed the theoretical approach of the branding process and how to gain customer satisfaction in Chapter 3. In the upcoming chapter there will be a final execution by conducting primary research about branding and the customer satisfaction.

We have used quantitative method of the research which involves a structured questionnaire directed towards the consumers of the Adidas brand. The target group of the study has been restricted to students aged between 19 and 35 years, therefore, it has been distributed through WhatsApp and direct mail to reach as many participants as possible. The questionnaire can be found in Appendix I.

Before we take a deeper dive into the insight, it is very important to briefly discuss the Adidas Group.

4.1. Introduction to the Case Company

4.1.1. History

In 1924, Adolf and Rudolf Dassler founded the "Gebrüder Dassler Schuhfabrik" in a small town in Bavaria, Germany. Adolf Dassler's vision was to provide athletes with the best possible sports equipment. His efforts paid off a few years later when the first athletes won Olympic gold medals in Dassler's shoes. Due to irreconcilable differences, the two Dassler brothers split up in 1948. Rudolf Dassler founded his own enterprise and named it Puma and Adolf Dassler started over again with his company Adidas in 1949. He developed the first lightweight football shoe with screw-in studs that helped the German national football team win the 1954 World Cup finale. This so-called "Miracle of Bern" was a tremendous boost for the success of Adidas Group. The shoes spread over the world and have been an indispensable piece of equipment on football fields and at other sport events around the globe ever since. The dynasty of the Dasslers ended in 1987 and from 1993 on, Robert Louis-Dreyfus led the company to huge success and took over Reebok in 2006. Since 2016

a new CEO called Kasper Rorsted, is running the business. What started as a visionary shoe company in a small Bavarian town has developed into the number one sportswear manufacturer in Europe. After Nike, the Adidas Group is the second largest company in this branch worldwide. Consistent trust of top athletes, constant urge for innovation, and customer focused management are the foundation on which Adidas has built its success over the last 70 years. (Adidas Group History)

Figure 11. Adidas Group Logo, Adidas Group, Adidas news stream

4.1.2. Current Business Activity

"Creating the New" is the current business activity until 2020. At the very heart are the core brands, Adidas and Reebok, which have strong identities in sports. Adidas appeals to athletes and Recook focuses on fitness consumers. Through the unique portfolio, Adidas will be closer connected to its customers. To achieve that, the plan is based on three strategic choices:

- **Speed:** Adidas Group will become the first sports company in satisfying consumer needs and internal decision-making.

- **Cities:** The company is focusing its sales and marketing activities on the six core cities, Mumbai, Delhi, Bangalore, Hyderabad, Chennai and Kolkata.

brand heat, as well as the initiative "Parley for the Oceans". Adidas plans to launch one million pairs of shoes made from ocean plastic this year. (Adidas Group Strategy Overview)

4.1.3. Brand Profile

Adidas is quite a complex organisation, but they try to keep things simple, lean and fast. For almost 70 years, Adidas had a strong connection with sport and their core belief is that they have the power to change lives through sport. Adidas Group is at the top of the hierarchy and identifies the organisation, thus it is called the corporate brand. Moreover, the Adidas Group has five sub-brands which help to differentiate and boost the corporate brand. An overview of the brand profile can be seen in Figure 12. The Adidas Group uses a multiple branding strategy for its products and an individual branding strategy for the brand Rebook:

Figure 12. Figure 17. The Brand Profile of the Adidas Group, Adidas Group, Profile

seen in innovative products and on collaborations with the world's best athletes, teams, and events, as well. Adidas' mission is to become the best sports brand in the world by designing, building and selling the best products with the best service and experience.

Adidas Sport Performance focuses on innovation and technology and is mainly targeting consumers, ranging from sport participants at the highest level to those inspired by sport. This sub-brand wants to help consumers become stronger, smarter, and cooler. In Figure 13 you can see how the brand communicates its brand identity in an advertisement. The advertising shows a woman who is running in the streets and represents the people who are inspired by sport. Moreover, with the writing "This is not just about running – This is about being your better self." Adidas Sport Performance actually communicates that the sub-brand wants to help consumers become their better self. (Adidas Group Profile, Adidas at a glance)
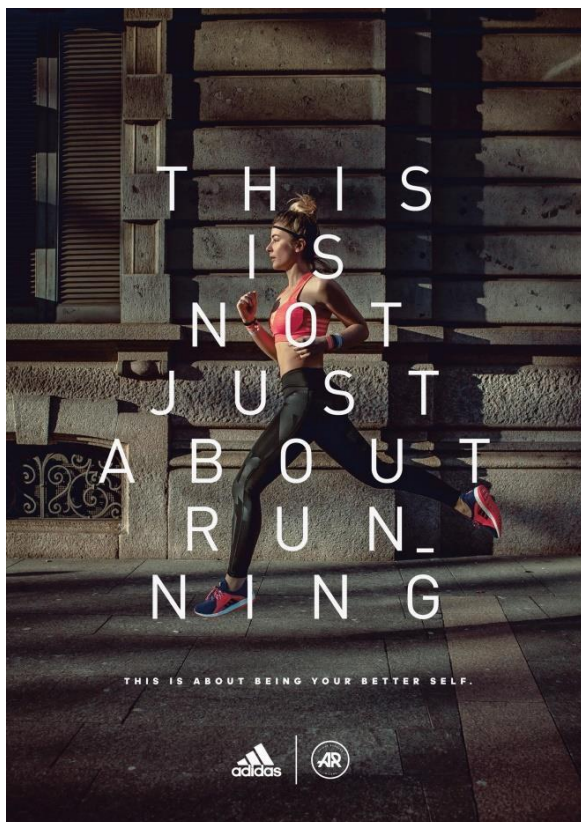
Figure 13. Advertisement Adidas Sport Performance, Ads of the World

The focus of Adidas Originals is to set trends and to be a lifestyle brand. Its target group are consumers who are looking for more options to express their individuality. Figure 14 illustrates an advertising of the sub-brand. In this advertisement you can see different locations which communicate that Adidas Originals is not just only a sports brand but also a lifestyle brand. The writing "Original is never finished." targets consumers who want to refine their personality. Furthermore, the different colours of this advertising give the statement that customers can always express their individuality in different situations. (Adidas Group Profile, Adidas at a glance)

Figure 14. Advertisement Adidas Originals, Facebook

The third sub-brand, Adidas NEO, is a sport fashion lifestyle label which enables teenage consumers to live their style. It focuses on openness and engagement with young customers. The advertising which can be seen in Figure 15 demonstrates the brand identity of Adidas NEO. In this advertisement you can see Selena Gomez who targets the teenage customers. Moreover, with the writing "Now is everything." the sub-brand communicates that the young consumers should live their style at present and not later. (Adidas Group Profile, Adidas at a glance)

Figure 15. Advertisement Adidas Neo, The Esseentialist

The three Adidas Collaborations, Y-3, Porsche Design, and Stella Mcartney, focus on extraordinary product experiences with a combination of high technical products and great fashion designers. Figure 16 shows an advertisement with the collaborations Y-3. The advertising illustrates three men who are marionettes of the futures. This demonstration represents the high technology behind the products. Furthermore, the minimalist advertisement communicates the extraordinary product experiences, as well. (Adidas Group Profile, Adidas at a glance)

Figure 16. Advertisement Adidas Y-3, Pause

"The brand of the Brave", Five Ten, is a leading and highly valued brand within the outdoor market. Its target group are consumers who do outdoor adrenaline sports. In Figure 17 you can see an advertising of the sub-brand Five Ten. By demonstrating a woman who is climbing, the sub-brand communicates that it is best suitable for outdoor adrenaline sports.

(Adidas Group Profile, Adidas at a glance)
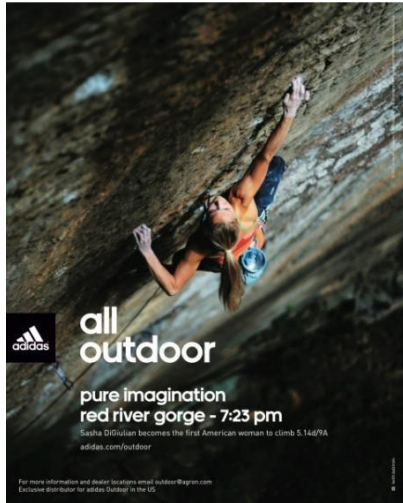
Figure 17. Advertisement Five Ten, Applied Global Marketing

Reebok is tough fitness: As mentioned above, Reebok was acquired in 2006. It is a global brand with the mission to become the best fitness brand in the world. The brand believes that fitness is a way of life and its purpose is to inspire people to be their absolute best. The target group of the brand is not very specified, however, they say that Reebok can prepare all who are willing to join the fitness life style. The advertisement (Figure 18) illustrated the brand identity of Rebook. With the writing

"Evolve from the inside out" the brand communicates that it can help consumers to develop further to be their absolute best. (Adidas Group Profile, Reebok is tough fitness)

Figure 18. Advertisement Reebok, Behance 2017

4.2. Data Collection and Instrument

In this research primary data collection has been used through a quantitative method to investigate the role of branding in customer satisfaction and to find out what factors influence customers' satisfaction. The information gathered from a well-structured questionnaire (Appendix I) will answer the research problem.

Primary data is gathered first hand for a specific purpose. Therefore, the data collection is in real-time and the information gained is the most recent for this specific objective. In general, primary data is considered to be more trustworthy and have greater validity as the research is designed for one main purpose. However, to make the research credible a larger sample is needed which could be quite expensive and time-consuming.

The quantitative method has been implemented to provide a larger sample to create statistically valid information about the customers' perceptions and feelings. The descriptive study has established associations between branding and customer satisfaction. An essential characteristic of the quantitative method is the use of a questionnaire to collect numerical data. Once the questionnaire has been carefully designed before the data collection starts, this research instrument allows a simple replication and repetition that gives this method a high reliability.

The convenience sampling method has been applied to get representative data from as many participants as possible. This sampling method relies on the easy accessibility and availability of the respondents, therefore, the main advantage of this method is the rapidness of the data collection. (Kotler & Keller 2016, p. 121- 136; Mooi, Sarstedt, & Mooi-Reci 2018, p. 28-32)

4.3. Survey Process

Surveys are the most common tool for collecting quantitative data of primary market research, however, there are several issues that need to be considered for a good survey. The survey process is illustrated in Figure 19 and requires the following steps:

• **Goal setting:** Before starting to design the questionnaire, it is essential to set goals.

These goals can considerably influence the type of questions asked, the distribution channel, and the target group. The objective of this research is to investigate the role of branding in customer satisfaction and to study the factors that influence customer satisfaction.

• **Design questionnaire:** After the determination of the survey goal, the type of questionnaire can be considered. This study uses an online survey because it is the least expensive, simple to execute and fast in data collection. The questionnaire has been created through a special online tool called "umfragenonline.com" which is provided by the Enuvo GmbH.

Both closed-ended and open-ended have been used in the survey to gain the best insights. Closed-ended questions have been used to provide respondents with fixed alternative answers from which to choose the most appropriate. The data obtained from these questions are considered to be more reliable because the responses are limited to the alternatives provided. One format of closed-ended questions that has been used is called dichotomous. This question provides participants with two answer categories, for example, female or male. The dichotomous questions are very simple and lead to only one perception. Secondly, the extended format is another choice how to ask closed- ended questions and provides multiple answer categories. The benefit of multiple choices is that respondents can choose various answers among the alternatives that fit with their attitudes. In this questionnaire a Likert scale range has also been used to let the respondents rate their answers in terms of an agreement with a specific statement. A five point scale ranging from "very dissatisfied/strongly disagree" to "very satisfied/strongly agree" with a free neutral choice has been applied. One advantage of closed-ended questions is that they produce a much higher response rate compared to open-ended questions. It is a fact that open-ended questions are often skipped by the participants because they are more difficult to answer. Hence, this survey has only adopted one completely unstructured open-ended question at the end of the questionnaire. (Malhotra 2007, p. 183;

Kotler & Keller 2016, p. 129; Mooi, Sarsedt & Mooi-Reci 2018, p. 64-79)

- **Execution:** First, it is necessary to decide on the target group. As mentioned above, a convenience sampling has been used, therefore, this research has mainly concentrated on Social Media users and students between 19 and 39 years. The decision is based on

  the assumption that this specific group is easier to reach and has stronger motivations to share their opinions, although, the questionnaire has been completely anonymous. Before the questionnaire has been distributed, a pilot study had been exerted to enhance its clarity and to ensure its reliability. On 4 April 2018, the survey was finally sent out through Facebook, WhatsApp, and direct mail along with an explanation about the importance and the goals. After every three days, a thank you note, a reminder, and the same questionnaire were distributed again to obtain as many participants as possible. The survey was active for one week and was completed on 11 April 2018.

- **Analysis:** The last step in the process is to analyse the data. At this stage, researchers interpret and discuss the findings by means of statistical techniques and analysis. The aim is to interpret and analyse the data received into insights and recommendations. The analysis of the questionnaire can be found in Chapter 4.5. (Kotler & Keller 2016, p.

  132-135; Mooi, Sarsedt & Mooi-Reci 2018, p. 80-81

4.4. Reporting Key-Results

The questionnaire had a runtime of one week and was delivered to Social Media users and other students through Facebook, WhatsApp, and E-mail. At the end of the survey a total of 133 had participated, however, only 95 respondents had answered the complete questionnaire. Hence, the reporting and analysis of the key-results concentrate on the 95 participates in order to deliver consistency and statistically valid information.

4.4.1. Background Information

The first part of the survey asked for general background information of the respondents. A consumer's behaviour and buying decision is influenced by cultural, social, and personal factors (Chapter 3.4.2). Therefore, it is important to know the age, gender, and occupation of the participants to understand their behaviours towards the brand.

In this study almost 95% of participants were aged between 19 and 39 years (Figure 20). The second group of respondents were aged over 45 years which accounts for 4.2%, while the smallest portion was less than 18 years of age. The majority of the respondents were women (64.2%) and approximately 36% were male (Figure 21).
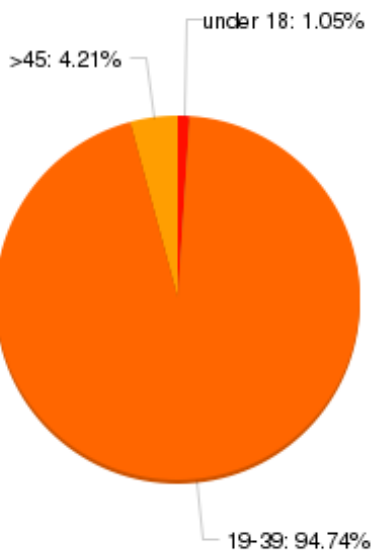
Figure 20. Age of respondents
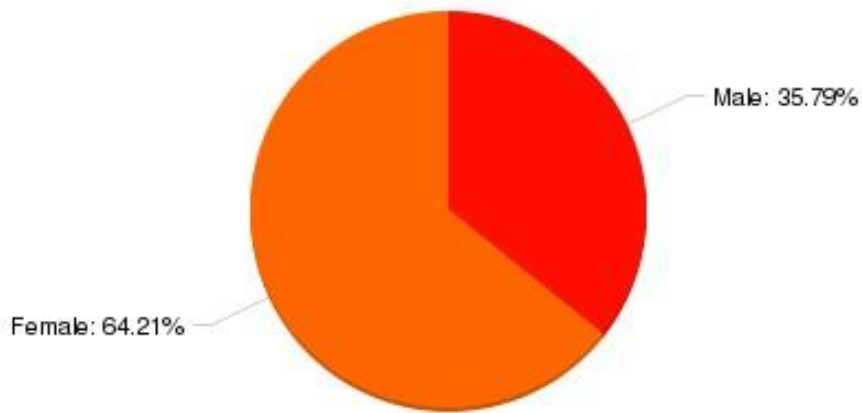
Figure 21. Gender of respondents

The last question about background information asked for the occupation of the participants (Figure 22). The majority were students or students with part-time employment (65.2%). Full-time employees were 31.6% and part-time employees were a total of 3.2%.
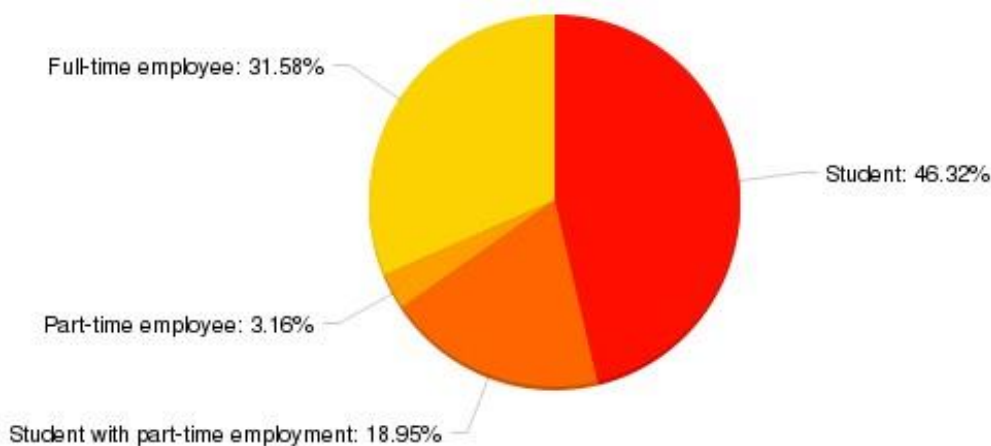

Figure 22. Occupation of respondents

4.4.2. About the Brand

The second half of the survey had several questions about the brand. The very first question was dichotomous and provided only two answer categories. The survey asked the respondents if they were actually customers of the Adidas Group (Figure 23). On the whole, 66 participants responded with "yes" and 29 said "no".
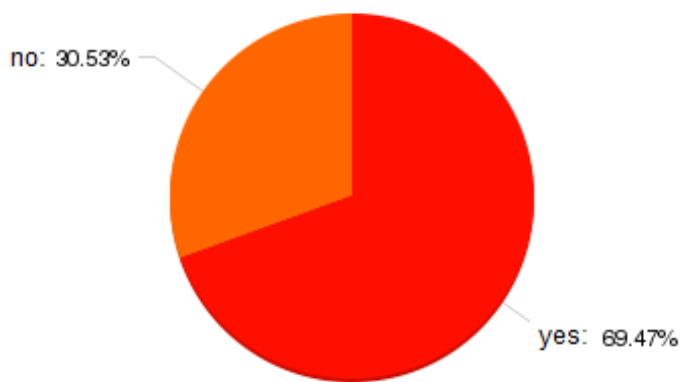
Figure 23. Are you a customer of the Adidas Group?

The next question focused on brand awareness and wanted to know where the respondents had heard about the brand (Figure 24). As mentioned in Chapter 3.2, a brand needs to create recognition in consumers' minds by using different marketing channels. Moreover, one vital point in a customer's buying decision process is the information search where he or she becomes aware of the brand. The question was created in a multiple choice format that means participants could select several answers. The majority of participants had heard about the brand in shops/markets or from friends. The traditional marketing channel TV was almost equal to Social Media channels and both account for around 50%, followed by family and magazines that were nearly 45%. Events and the workplace were the least selected responses. Others (3.2%) said that the brand uses all channels mentioned and Adidas can be seen everywhere.
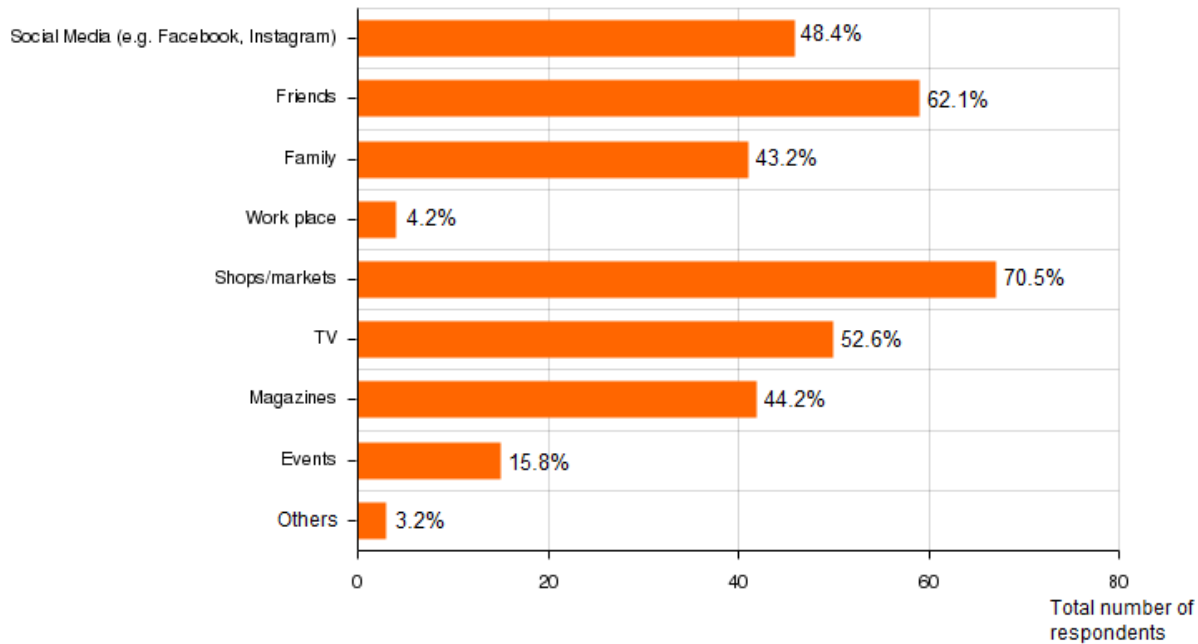
Figure 24. Where did you hear about the brand?

The third question about the brand was in a multiple choice format, as well, and asked the respondents if they own any of the sub-brands of the Adidas Group (Figure 25). The sub- brand Adidas Originals was by far the most selected response with a total of 85.3%. Both Adidas Sport Performance and Reebok account for around 46%. The sub-brand Adidas Neo was 22.1% and the Adidas collaborations were 12.6%. The sixth sub-brand called Five Ten is not mentioned in Figure 19 because none of the participants purchased this brand.
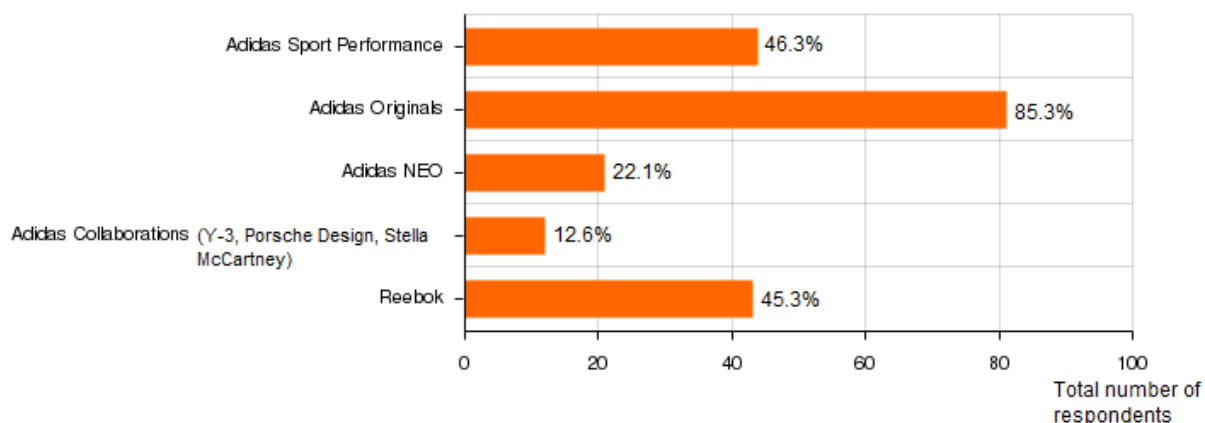
Figure 25. Do you own any of the following Adidas brands?

The following question asked the respondents about the quantity of products they own (Figure 26). The motive for asking this particular question was to see how loyal the participants are towards the brand. There were several alternatives provided, however, only one could be selected. Approximately half of the participants own one to four products, followed by nearly 30% who own five to nine products. On the whole, 12.63% of respondents own 10 to 14 products, whereas, heavy consumers who own more than 15 products count for 6.32%.
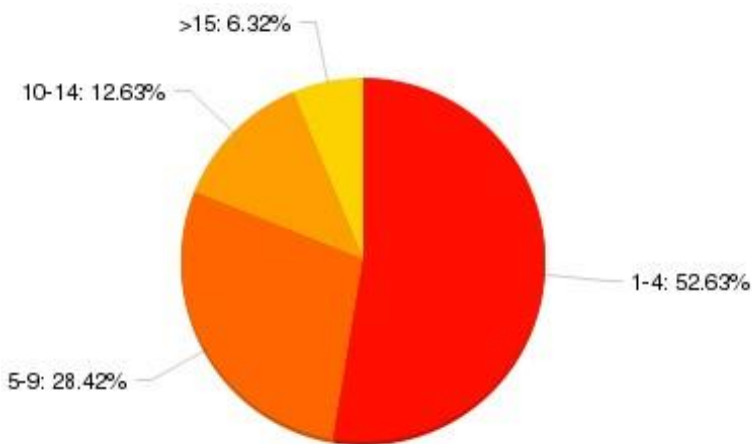

Figure 26. How many products (shoes and clothes) do you own?

Figure 27 illustrates the level of satisfaction about certain elements of the Adidas brand. The elements were chosen based on the factors which influence a brand (Chapter 3.3). Quality and price as brand associations are the most influencing factors on the consumers' buying decision. Moreover, both functional and emotional benefits which are part of the value proposition drive the purchase decision of a customer. In this question the Likert scale range was used where 1 stands for very dissatisfied and 5 means very satisfied. The average is measured by the arithmetic mean which is the sum of each satisfaction level divided by the number of respondents. The variance tells how strongly the levels of satisfaction vary around the arithmetic mean and is measured through the standard deviation. A low variance indicates that the results are closer to the average and vice versa. (Mooi, E., Sarstedt, M. & Mooi-Reci, I. 2018, p. 113-115)

4.5. Analysing Key-Results

First of all, the study reached its target group very well because nearly 95% of the participants were aged between 19 and 39 years. This is due to the fact that the research was distributed through Facebook, WhatsApp, and direct mail to friends and other students. Therefore, the majority of the participants were students or students with part- time employment.

However, it must be stated that the question whether the respondent is a customer of the Adidas Group or not was misunderstood (Figure 23). The analysis of the survey found out that those who responded the question with no, nevertheless, had stated that they own one of the Adidas brands. It is not quite obvious why the question was misunderstood because it was written in clear language but it might be due to a misinterpretation of the word "customer".

Moreover, the unbalanced distribution of the gender, namely that there were almost twice as many female than male respondents, could be due to the fact that females are characteristically more helpful and are more likely to express their opinions.

While analysing the results, it stands out that Adidas has managed to communicate the different brand identities to their consumers very well. The analysis of the key-results is limited to the range brand Adidas because the company has different strategies for both the Adidas and Rebook brand. The Adidas brand is guided by the company's principles of brand leadership which aims at a consumer obsessed culture. (Adidas Group, Annual Report 2017, p. 67) An overview of the key-results analysis to the different brand identities of the Adidas brand is illustrated in Table 3.

One major sub-brand, Adidas Originals, operates in the lifestyle area and focuses on setting new trends. Adidas Originals targets groups who looking for options to express their individuality. The brand is the most popular of all the Adidas brands as 85.3% own products of Adidas Originals. Moreover, some of the participants said that they would recommend Adidas because it is not only a sports brand but also suitable for daily life. Furthermore, more than

half of all respondents agreed to the statement that Adidas sets new trends. Here, important to note is that only 10 out of 95 respondents disagreed. In addition, almost 50% of the participants said that they use Adidas as a status symbol to express themselves and that the brand matches their personality.

Another major sub-brand is called Adidas Sport Performance which wants to help consumers become stronger, smarter, and cooler. According to the research, it is the second famous brand and owned by 46.3% of all participants. Here as well, Adidas has showed that it is capable of communicating its brand identity. More than 85% of the respondents said that Adidas is a strong brand and 65.19% believed that the brand is smart. In addition, a total of 72.55% agreed to the statement "Adidas is a cool brand."

The sub-brand Adidas Neo targets teenage consumers which can also be seen in the results of the survey. Only 22.1% of all participants indicated that they own this specific brand. As mentioned earlier, one respondent was less than 18 years old but he or she was an owner of Adidas NEO. The remaining 21% who own this brand were all aged between 19 and 39. Teenagers are normally less than 18 years old, however, as one saying goes, you are as old as you feel. Therefore, it is possible that not only teenage consumer purchase Adidas NEO but also adults if they like, for example, the design of the products. To sum up, these results show that the Adidas Group has communicated their different brand identities in an excellent way.

Table 3 Overview of the Key-Results Analysis of the Adidas brand identities

Adidas Brand	Survey Results
"To become the best sports brand in the world by designing, building, and selling the best products with the best service and experience."	

Brand Identities: **Adidas Sport Performance Focus:** innovation and technology **Target Group:** sport participants who want to become stronger, smarter, and cooler, and consumers who are inspired by sport	' Second famous brand More than 85% of all participants said that it is a strong brand ' 65.19% believed it is a smart brand

Adidas Originals

Focus: trendsetting and lifestyle brand **Target Group:** consumers who want to express their individuality	• Most popular brand • More than half of all respondents said that the brand sets new trend • Not only a sports brand but also suitable for daily life • 50% use the brand as status symbol to express individuality
Adidas NEO **Focus:** sport fashion lifestyle brand **Target Group:** teenage consumers	• Owned from 22.1% of all participants • respondent who was less than 18 years old was an owner of the brand • The remaining 21% were all aged between 19

and 39

Author's source based on the Survey and the Adidas Group

One question asked about the brand awareness which refers to the ability that customers recognize the existence of a brand. Adidas has developed a system which works across all different marketing channels that promote and increase recognition in the consumers' minds. According to their Annual Report 2017, the company will further increase investment in digital advertising, point-of-sales, and events such as the FIFA World Cup. The research found out that the respondents have mostly heard about the brand in shops and markets which refers to the point-of-sales. Moreover, increasing marketing investment in digital advertising will be worth Adidas' while, because only half of all participants have heard about Adidas on Social Media or TV. Adidas has indeed developed a system that works across all marketing channels which can be seen in Figure 18. Almost each marketing channel was selected with equal percentages. In addition, one respondent said that "Adidas is everywhere. If you have not heard about it, then you must have lived in a cave." Hence, it can be said that Adidas has established high brand recognition and brand recall through all marketing channels.

As mentioned in Chapter 3.4, customer satisfaction evolves from certain brand associations which have a strong influence on a consumer's perception. These connections are made up from positive or negative experiences. Table 4 shows the findings of the survey by means of the service quality gap model (Figure 10).

In this study, the respondents have had more positive than negative experiences with the Adidas brand. The participants liked especially the design, range of products, and quality which is due to the fact that the heritage of the Adidas Group is German and people associate high quality with the country. In contrast, almost half of all respondents had negative experiences with the price and said that it appears not competitive. However, there is a connection between price and quality as a higher price is normally an evidence for high quality. Moreover, the majority of the participants own between one and nine products which is also a signal that the quality benefit of the brand is worth its money. In addition, this research also found out that the more products a respondent owns, the less price sensitive he or she was regardless of the occupation. That means participants who own more than nine products had almost no negative experiences with the price. This is due to the fact that loyal customers have different price thresholds than other consumers.

Both positive and negative experiences are formed from expectations that consumers establish through personal needs, word-of-mouth, and past experiences. The result that the majority of the respondents have had more positive experiences is due to the fact that only

7 participants said that their expectations were not fulfilled. This should provide an indication that Adidas' brand promise of high quality and innovative products do not exceed a consumer's expectation. Furthermore, almost 71% agreed to the statement that Adidas has a good reputation for high quality and innovative products which is also evidence that the brand do not overpromise its benefits.

Table 4 Overview of the Key-Results Analysis in the Service Quality Gap Model

Service Quality Gap Model	Survey Results

Gap 1 Consumer expectation vs. management perceptions	Adidas meets the consumers' needs Customers had especially positive experiences with the design, range of products, and quality
	Negative experiences with the price, however, a higher price is a signal for high quality
Gap 2 Management perception vs. service quality specifications	The Adidas brand is guided by the company's principle of brand leadership which aims at a consumer obsessed culture The plan is based on three strategic choices
Gap3 Service quality specifications vs. service delivery	Adidas believe that the employees are the key to the company's success Employee strategy focuses on four fundamentals: the attraction and retention, role model leadership, diversity and incusion, unique corporate culture
Gap 4 Service delivery vs external communication	Brand promise of high technology and innovative products is not exaggerated More than half of all respondents said that the brand has a good reputation for high quality and innovative products

Gap 5	
perceived vs. expected service	‘ Customers' expectations were fulfilled ‘ Adidas delivered the desired products ‘ Positive word-of-mouth because 84%

Author's source based on the Survey and the Adidas Group

As mentioned before, Adidas will become the first sports company in satisfying consumer needs. Generally speaking, the survey found out that all participants were very satisfied with the Adidas brand. The respondents showed higher satisfaction with the quality, design, and availability of products compared to the range of products, product life-cycle and functionality. This is because the experiences with the quality, design and availability of the products were positive as expected or even exceed a customer's expectation, hence, the customers are highly satisfied and loyal to the brand. In addition, the research displayed that the participants were satisfied with or neutral to the range of products, product life-cycle and functionality which leads to the opinion that the experiences connected with these brand attributes were mostly positive as expected. Therefore, these consumers are neither disloyal nor loyal but more neutral and likely to switch between brands. Moreover, the research revealed that all respondents who are loyal to the brand and own more than ten products showed either satisfaction or high satisfaction. In contrast, the participants who own less than nine products indicated their satisfaction to the brand attributes across all levels.

To sum up, besides the brand Nike, Adidas has a great basis of loyal customers. This is due to the fact that Adidas fulfilled the customers' expectations to a high level of agreement and satisfaction. Moreover, the brand tackled to deliver the desired products to the complete satisfaction of their consumers. All in all, almost 84% of the respondents would recommend the Adidas brand which is also a signal for high customer satisfaction.

4.6. Conclusion

The research was conducted to investigate the role of branding in customer satisfaction and to study the factors that influence a customer's satisfaction. There are central questions that must be taken into consideration in order to define the role of branding in customer satisfaction, such as, what role does the brand identity and the brand associations involved play, which factors influence a consumer's satisfaction, and which role do experiences play in a customer's behaviour? In relation to these questions a well-structured questionnaire

consisting of thirteen questions was created.

Even though the research had quite a short run-time of only one week, the number of participants was satisfying. A lot of information was gathered from the respondents which gave deep insights into their feelings, perceptions and opinions about the Adidas brand.

The main issue of the Adidas brand is their pricing strategy as more than a half of all respondents were not satisfied and had negative experiences with it. On the one hand, it might be necessary to rethink the brand's pricing strategy because the price plays an important role in the purchase decision of consumers. If consumers search for alternatives which fit their attitudes better and those alternatives are actually cheaper, they will prefer the competitor's brand. However, it could be due to the fact that most respondents were students and do not have regular income. On the other hand, Adidas faces strong competition from Nike, thus, the brand should retain their pricing strategy in order to stay competitive in the market. Additionally, despite the negative experiences with the price, almost all participants would recommend the Adidas brand.

Furthermore, as mentioned earlier, it would be worthwhile to invest in the brand's digital marketing to increase their awareness on Social Media and TV. While focusing their marketing on the six core cities, the brand should have enough resources to gain more "influencer" who promote the Adidas brand. Moreover, these "influencers" can play an important role for the associations between the brand and a consumer. Consequently, by focusing on "influencer marketing" the brand could reach potential consumers more easily through the digital marketing channels.

In conclusion, after reviewing the analysis of the results (Chapter 4.5), it can be said that the Adidas Group has established a great branding strategy for its range brand. In addition, Adidas communicates its different brand identities in a way that consumers do indeed understand what the brands stand for. Furthermore, the brand realises which factors influence a consumer's satisfaction and, therefore, promises benefits and experiences which do not exceed a customer's expectation, but rather satisfy them in order to gain their loyalty.

4.7 Reliability and Validity of the Survey

Reliability refers to the consistency of the research instrument. The quantitative method used in this study

was carefully chosen from well-known literature in order to have a reliable guide to produce a well-structured questionnaire to obtain results in the empirical approach. The outcome of this research is an overview of the role of branding in customer satisfaction of the Adidas Group, therefore, it cannot be implemented in any other field.

Validity refers to the accuracy of the results. The questions of the survey possessed certain characteristics in conjunction with the theoretical approach in order to match the research problem. Furthermore, the questions were written in a clear and simple language containing only one thought to avoid space for different interpretations of the questions that might lead to unreliable answers.

4.8 Critical Review

When looking back to the moment the author started with the Bachelor's Thesis and the planning process about how it should look like in the end, the author is now quite satisfied with the final result.

From the author's point of view, writing this paper was a great way to apply the knowledge and academic skills which has been developed during the business studies. Furthermore, the author has gained new insights into the field of branding from a theoretical, as well as, practical perspective. This new insights has been obtained through studying a lot of relevant literature in English and German which was chosen by the author herself.

After all, there are also some aspects which could have done differently or maybe even better. It must be stated that the Bachelor's Thesis has a strong theory-based focus, although, this is necessary in order to understand each question asked of the survey in the empirical approach. However, by limiting the theoretical part of this paper, it might have been possible to carry out a more comprehensive survey with a longer run-time and larger sample size.

Therefore, this expenence of self-responsible work has not only enriched the author's professional but also personal development. Through the whole process, the author's power of endurance and time management has increased considerably. Moreover, the author has learnt to motivate herself and stay focused until the aim, the completion of the dissertation, was achieved.

5. Summary

In conclusion, the author would like to say that branding has become increasingly important over the past years in order to satisfy the consumers. At this stage, it can be said that it plays an important role to differentiate and communicate the brand identity in a way that consumers do understand what the brand stands for.

Furthermore, an organisation needs to determine what the customers associate with the brand to assess their expectations. In relation to that, a brand can create different benefits which provide positive experiences to meet or even exceed the consumers' expectations to deliver a high service quality.

To sum up, customer satisfaction is highly related to the branding process and can influence significantly the business performance. By establishing a long-term relationship with satisfied consumers, a brand gains their loyalty and can predict sales for the future performance.

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