

EMPIRICAL LINKAGE: VISUAL BRANDING AND CUSTOMER LOYALTY

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ABSTRACT: *Before any product is ever produced or sold, it must first be branded. Every idea, from initial sketches to patented logos, supports a branding strategy, or the decisions a production team has made about what will drive a consumer to choose their brand over that of their competitors. Survey was used for the study. A sample size of 50 which consist of 20 graphic designers and 30 customers were used for the study. Simple random sampling technique was used to select both graphic designers and customers of Techno phones. A structured questionnaire, with a five-point Likert scale, was fielded to gather the data. Data was analyzed using structural equation modelling (PLS-SEM) with SmartPLS 3.0 while Pearson's correlation coefficient was used to determine whether visual branding can influence customer loyalty. The study revealed that visual branding has a significant correlation with customer loyalty.*

KEY WORDS: customer loyalty, visual branding, Graphic Designer, product.

INTRODUCTION

Working to satisfy customers is critical in fostering customer loyalty (Marandi & Harris, 2010). However, satisfaction alone cannot be used as a measure to assess loyalty but the visual display of the product in terms of the shape, size, color and the general outlook of the design also has a role to play. Customers who are not satisfied with the shape, size, color and the general outlook of a designed product (visual design) may defect to other products or services and this might take away the customer's loyalty. Branding is not about marketing a product to be sold, but about creating a unified identity for a group of people, products or ideas. Today, branding still involves the simple ideas of customers and consumers, but the concepts are much more developed. Graphic Designers are hired by organizations to create visual designs, which may include logos, business cards, letterhead, storefront signage, packages, advertisements, and other project-specific items (Clifton, 2003).

Moreover, each piece is an important part of the image the organization wants to communicate about their products or services to the targeted consumer audience in this case Techno Phone. One common misconception, however, is that brands are only comprised of the product itself. Recent studies have shown that the intangible identity of a brand, created by a designer, accounts for an average, one-third of the brand's total value (Clifton, 2003). For example, only 40% of Coca-Cola's

net worth of over \$70 billion comes from the product itself, leaving \$42 billion dollars for business strategies and visual brand identity (Neumeier, 2000). The importance of creating a recognizable brand is often a determining factor in the success or failure of a company leading to customer loyalty. However, branding is a creative process and that makes it difficult to identify one strategy that works for all projects. Designers are hired to create visually appealing work, but clients also want designs that attract and maintain customers.

It appears there is a big void when the graphic designer goes into a project blindly but hopes that the design is strong enough visually to gain a much bigger market share and large customer loyalty. This lack of knowledge lies in the fact that there is no single answer to the question, “What is the best way to create a brand to ensure customer loyalty?”. The appropriate application of design factors and the lack of research on visual branding, make it difficult for designers to create successful branding campaigns leading to customer loyalty.

The purpose of this study is to analyze how visual branding can influence customer loyalty. Based on that the following research objectives were formulated;

1. What is the impact of visual branding on customer loyalty of Techno Phone?
2. What elements of customer loyalty influences visual branding of Techno Phone?
3. How does Customer loyalty influence trust, commitment, communication, conflict handling, competence, bonding and visual branding?

On the basis of the objectives formulated it was hypothesized that:

H₀: There is a statistically significant positive relationship between visual branding and customer loyalty of Techno Phone.

H₀: There is a relationship between the elements of customer loyalty and visual branding of Techno Phone.

H₀: There is a relationship between the customer loyalty, trust, commitment, communication, conflict handling, competence, bonding and visual branding.

Literature Review

The job of any graphic designer is to effectively communicate, through visuals, what the client wants the targeted audience to know. The designer must then use his/her own experience, education, training, and skills to create a visually appealing experience. Although every designer approaches a problem differently, three design principles are used by all designers; concept, composition, and components (Krause, 2004). Designers also consider the use of color, typography, symbolism and production, even if it is subconsciously (Wheeler, 2011). Factors like color and typography are very important in the creative process, but when a designer is hired to create a brand, the process changes. Branding can influence value, customer loyalty, return margins, employee retainer and much more. With the average consumer being exposed to 3,500 branding messages every day, one might think branding would be a popular topic of scholarly literature, but in actuality, discussing branding techniques in scholarly form is a very recent development (Post, 2005). While much of the literature discusses how decisions are made about things like font families, coloration, or even the creative process, very little has been published to

help a designer integrate marketing and design into an organized course of action for customer loyalty

Composition

Formal composition can be analyzed for a brand element using the same methods that paintings, drawings and sculptures have been critiqued for centuries. Using the elements and principles of design (line, color, shape, unity, balance, scale, contrast and perspective), anything visual can be analyzed in terms of the feelings or messages it sends and its success as a captivating image. As Andrew Hall states in his book *Illustration*, all illustrations involve “the artistic composition of visual elements together on the two-dimensional picture plane and includes traditions in depicting space, form, tone and light, composition and color”. Key to the composition of any design or work of fine art is the correct used format, direction, dominance, and placement of all elements (Hall, 2011). Any design professional should already inherently use these compositional skills, so they are often not considered a determining factor when creating a design piece. However, without the proper understanding of components such as balance, unity, and scale, neither artist nor designer can present their work and defend why it is compositionally successful.

Concept

Developing visuals concepts may be the end result of any branding campaign, but a successful brand always starts at the exact same place both graphic design and marketing do, at visual concept development. Concepts are evolving organisms and continually grow as the project progresses. Having a strong concept at the beginning helps to unify the client and the designer. Concepts should be a product of research and are better when developed with open communication between designers and clients. Krause makes note of the difficulty some designers have in separating their personal goals from the desires of the client, which are ultimately more important (Krause, 2004)

Customer Loyalty

Zhang (2010) indicated that a “customer who repurchases from the same product or service provider whenever possible and who continues to recommend or maintains a positive attitude towards the product and service provider reveals the level of satisfaction gained.” Julander, (2007) explained that customer loyalty has two magnitudes: the first one is behavioural and the other is attitudinal. The behaviour loyalty means the customer is intend to repurchase the brand or services from the service provider over time Kotler and Kotler (2006), whereas, attitudinal loyalty means the customer intend to repurchase and also recommend other which is the good sign of customer loyalty (Thompson, 2003).

Methodology

The research is a survey that used both primary and secondary data. Primary data were obtained with the aid of standardized instrument [questionnaires] while secondary data were obtained from extant literature. 50 participants were used for the study which comprised 20 practicing graphic design professionals and 30 customers of Techno phones. The graphic designers were sent surveys (questionnaire) by email. Participants were selected using simple random technique from their various work places in Ghana (i.e. Accra New Town and Kumasi Asafo). Graphic designers working in advertising firms, design studios, press houses and as full-time, free-lance, consultants

to large corporations were used while customers of Techno phones were selected using simple random technique. The data obtained from the questionnaires was coded, captured and edited. Pearson's correlation coefficient was used to determine how visual branding would influence on customer loyalty while structural equation modelling (PLS-SEM) with SmartPLS 3.0 was also used.

There are two approaches to structural equation modelling; the covariance-based SEM which requires the data to be normally distributed and variance-based SEM which does not require multivariate normality (Hair, 2014; Garson, 2016). We employed the variance-based approach with PLS-SEM because our preliminary analysis as shown in Table II revealed that our data did not meet the normality criteria. Consistent with Anderson and Gerbing's (1988) and Chin's (1998) two-step approach, we first validated our measures and then proceeded to test our hypothesized model. SmartPLS 3.0 software was used to validate our measures and to test our hypothesized model. A total of seven key constructs were included in the present study. These include trust, commitment, communication, conflict handling, competence, bonding, customer loyalty and visual branding.

Results and Discussion

Table 1: There is a statistically significant positive relationship between visual branding and customer loyalty of Techno Phone.

Variables			Visual branding	Customer loyalty
Visual branding 1	Pearson Correlation	1	-.363**	.169**
	Sig. (2-tailed)		.000	.010
Customer loyalty	Pearson Correlation	-.363**	1	.683**
	Sig. (2-tailed)	.000		.000

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Field Data, 2020

(N = 50)

The results in Table 1 show that all the two variables are related to each other significantly. Furthermore, respondents perceived all the variables positively. The Table further shows that there is a relatively moderate negative and statistically significant relationships between visual branding and customer loyalty ($r = -.363$, $p < 0.01$). However, the relationship between customer loyalty and visual branding was positive and statistically significant ($r = .169$, $p < 0.01$). This shows that visual branding has some level of relationship with customer loyalty. This means that the visual branding in terms of the shape, design, style and color of the Techno phone suit customers which leads to customer loyalty.

There is a direct relationship between the elements of customer loyalty and visual branding Techno Phone. The Pearson's product moment correlation analysis was used to establish the relationships among the study variables while testing for the hypothesis for the study as stipulated above. The

results revealed positive relationships between the variables as shown in the Pearson's product moment correlation matrix in Table 2.

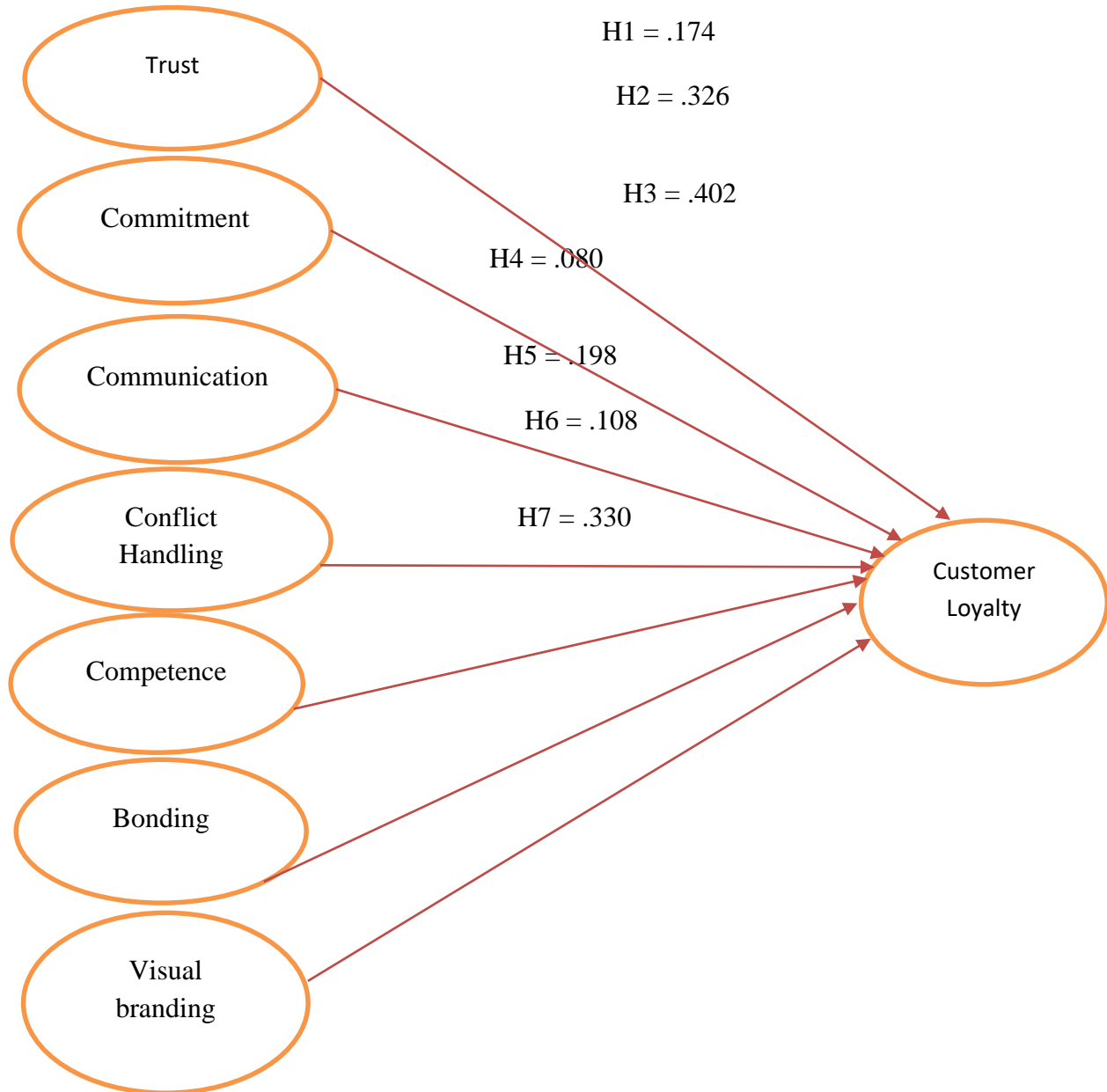
Table 2 Correlation

Variables (Elements)	1	2	3	4	5	6	7
1 Trust	-						
2 Commitment	.600**	-					
3 Communication	.600**	.577**	-				
4 Conflict Handling	.537**	.588**	.484**	-			
5 Competence	.541**	.466**	.601**	.440**	-		
6 Bonding	.545**	.599**	.454**	.501**	.479**	-	
7 Customer Loyalty	.435**	.399**	.509**	.300**	.479**	.400**	-
8 Visual branding	.561**	.537**	.569**	.519**	.571**	.546**	.542**

From table 2 it can be seen that there is a positive relationship between trust and customer loyalty ($r = .435$, $p < 0.01$), trust has a positive relationship with customer loyalty. Thus, the more trust increases, the more customer loyalty is boosted. Similarly, the results of the study poses a positive inclination or relationship between commitment and customer loyalty; thus ($r = .399$, $p < 0.01$). This means that as commitment increases, customer loyalty increases as well. The case is the same for the relationship between communication and customer loyalty. The results show a positive correlation between communication and customer loyalty, thus ($r = .509$, $p < 0.01$). This presupposes that as communication improves or is enhanced, then the loyalty of customers increases. Again, the results of the study pose a positive inclination between conflict handling and customer loyalty; thus ($r = .300$, $p < 0.01$). This means that as techniques or strategies towards handling conflict are improved or enhanced, customer loyalty increases.

Also, the results as per the correlational analysis, it was proven that there is positive relationship between competence and customer loyalty thus ($r = .479$, $p < 0.01$). This in essence proves that, as competence increases, customer loyalty also increases. The results of the study also pose a positive relationship between bonding and customer loyalty; thus ($r = .400$, $p < 0.01$). This means that as the more bonding is intensified, sustainability of competitive advantage increases. The Pearson's product moment correlational analysis as shown in table 4.3 shows ($r = .542$, $p < 0.01$) which indicates that there is a positive relationship between customer loyalty and visual branding. By this, it means that as customers' loyalty increases, visual branding increases in effect.

Figure 1. Proposed path model and hypothesized relationships



There is a relationship between the customer loyalty, trust, commitment, communication, conflict handling, competence, bonding and visual branding.

Hypothesis 1- Trust has a positive relation with customer loyalty.

From figure 1 it can be seen that there is a positive relationship between trust and customer loyalty ($R^2 = .174$, $p < 0.05$), hence hypothesis one of the study was supported. Trust is proved to have a significant impact on the customer loyalty of Techno phones. Thus, trust has a moderate positive relationship with customer loyalty. Thus, this result proves that a unit change in trust among stakeholders will induce a change in customer loyalty. In other words when trust of customers increases then customer loyalty also increases leading to customers purchasing more of Techno phones. The significance level of this outcome according to the study results was 0.020 which is less than 0.05 indicating that the variance between the two variables in question was significant.

Hypothesis 2- If commitment has a positive relationship with customer loyalty.

The results from figure 1 shows that attitudes and behaviours suggesting commitment are positive; which indicates that on average both graphic designers and customers agree that they are committed to the Techno product (Phones). Furthermore, the results of the study as can be seen in figure 1, poses a reasonable positive inclination of commitment towards customer loyalty; thus ($R^2 = .326$, $p < 0.05$), and hence hypothesis two of the study was accepted. In quintessence this result proves that a unit change in commitment level will induce a positive increase in customer loyalty. The significance level of this outcome in reference to the study results was 0.008 which is less than the standard value of 0.05 indicating that the variance between the two variables in question was significant.

Hypothesis 3- Communication will have a significant positive influence on the loyalty of customers.

From figure 1, the results show a strong positive correlation between communication and customer loyalty, thus ($R^2 = .402$, $p < 0.05$). It can be said thereof that communication is very essential in the loyalty of customers with the use of the Techno Phones. In essence, this result proves that a unit change in communication will induce a positive change in the customer loyalty. In other words when communication is improved or increased by 1%, it will root an increase in the loyalty of customers. The significance level (p) of this outcome in reference to the study results was 0.00 which is less than the seamless value of significance 0.01 indicating that the variance between the two variables in question was extremely significant. Hence the hypothesis three of the study was accepted.

Hypothesis 4- Techno phones with a high level of conflict handling ability are more likely to have a positive sustained competitive advantage.

From figure 1, the results indicate that conflict handling has a moderate influence on customer loyalty, thus ($R^2 = .080$, $p < 0.01$). It can be said thereof that when a Techno phones has good structure of handling conflict, then customer loyalty. In essence, this result depicts that a unit change in conflict handling will induce a positive increase in customer loyalty. The significance level (p) of this outcome with respect to the study results was 0.026 which is less than the generally regarded value of significance 0.05, indicating that the variance between the two variables under discussion was significant. Hence the hypothesis four of the study was accepted.

Hypothesis 5- Competence will have a positive impact on customer loyalty.

From figure 1, the result shows there is a positive relationship between competence and customer loyalty ($R^2 = .198$, $p < 0.05$), hence hypothesis five of the study was supported. Competence is proved to have a significant impact on customer loyalty on Techno Phones understudy. Thus, competence has a moderate positive relationship with customer loyalty. In essence, holding all other variables constant, competence induces a high level of customer loyalty. The significance level of this outcome according to the study results was 0.031 which is less than 0.05 indicating that the variance between the two variables in question was significant.

Hypothesis 6- Bonding propensity is likely to have a positive relationship on customer loyalty.

From figure 1, presupposes that ability to bond has a high impact on customer loyalty, thus ($R^2 = .108$, $p < 0.05$). It can be said that Techno phones have a high level of bonding that would lead to a high positive relationship on customer loyalty. In essence, this result portrays that a unit change in Techno phones ability to bond will cause an increase change in the sustainability of customer loyalty. The significance level (p) of this finding with respect to the study results was 0.006 which is less than the generally regarded value of significance 0.05, indicating that the variance between the two variables under discussion was significant. Hence the sixth hypothesis of the study was accepted.

Hypothesis 7 - Customers who are highly loyal are more likely to have a positive relationship on visual branding.

From figure 1, it can be seen clearly that there is a strong positive relationship between customer loyalty and visual branding as per the Pearson's product moment correlational analysis ($R^2 = .330$, $p < 0.01$). This in essence proves that, Techno phones have loyal customers that have desire for the product leading to a positive relationship with customer loyalty. The significance level (p) of this outcome with respect to the study results was 0.00 which is less than the generally regarded value of significance 0.01, indicates that the variance between the two variables under discussion was extremely significant. Hence seventh hypothesis of the study was accepted.

Contribution to Knowledge

This research is conducted in the pursuit of determining the impact of visual branding on consumer loyalty. Throughout this study, we have established that visual branding must be part of the whole branding process and marketing system, which further distinguishes the need to ensure customer loyalty is achieved. The more visual branding accurately translates the mission, vision, and values of the brand, the more brand identity and brand strategy gets aligned with the holistic strategy of the organization leading to customer loyalty. In addition, the respondents used for the study was 50 which seems to be a smaller sample size cited.

Conclusion

When consumers trust a brand, they become loyal to it, they become its advocates and they even bond with it based on the nature, shape, size, colour, design of the product (Techno phone). Moreover, we have established that consumers' behaviour and purchasing decision are driven by need for the product and emotion for the brand based on how they see the product from the graphic designer's view. From a marketing point of view, visual branding is so much influential as it has an impression on consumers' purchasing decisions leading to customer loyalty. Moreover, the more distinguished the design and graphics of a logo or a brand identity and the more they hold meanings within, the more they become memorable and identifiable.

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